



Daily Report

Latin America

FBIS-LAT-90-064
Tuesday
3 April 1990

Daily Report

Latin America

FBIS-LAT-90-064

CONTENTS

3 April 1990

NOTICE TO READERS: An * indicates material not disseminated in electronic form.

INTER-AMERICAN AFFAIRS

Central American Presidential Summit Opens [AFP]	1
Ortega Gives News Conference [Managua Radio]	1
Honduras' Callejas Comments [ACAN]	5
Contra Disarmament Discussed [Hamburg DPA]	6

CARIBBEAN

Cuba

Continuing Coverage of TV Marti Transmissions	7
Havana Notes Remarks by Bush [Havana Radio]	7
'Important' News Conference Planned [Mexico City NOTIMEX]	7
Jamming on 3 April Reported [Havana TV]	7
Commentary on U.S. Policy in Central America [Havana International]	7
Cooperation, Economic Accords Signed With PRC [Havana Radio]	8
Joint Commission Meeting With Iraq Begins [Havana TV]	8
Soviet Afghan War Veterans Receive Medical Aid [Havana Radio]	9

Dominican Republic

Communist Party Denounces TV Marti Transmissions [Madrid EFE]	9
---	---

Haiti

Episodes of Violence, Banditry Resume in Capital [Port-au-Prince Radio]	9
---	---

CENTRAL AMERICA

El Salvador

FMLN Sends Letter to Presidential Summit [Radio Venceremos]	10
Cristiani Criticized for Remarks on Death Squads [DIARIO LATINO 30 Mar]	11
Explosion, Injuries Reported in Santa Tecla [San Salvador Radio]	12
Six Policemen Killed [AFP]	12

Honduras

Armed Forces Chief 'Condemns' Attack on Soldiers [Tegucigalpa Radio]	12
Armed Forces Communique on Attack [LA TRIBUNA 2 Apr]	12
Commentary Considers Compensation Claim [Tegucigalpa TV]	13

Nicaragua

Callejas Holds News Conference With Chamorro [Managua Radio]	14
RN To Deliver Weapons at Honduran Border [Managua Radio]	15
Ministry on Conclusion of Cuban Advisory Mission [BARRICADA 29 Mar]	15
Spain Approves \$41.3-Million Development Loan [Managua Radio]	15

Panama

Endara Statements May Hurt Relations With Mexico [Panama City TV]	15
Official on Ties With Mexico [Panama City TV]	15
PRD First Secretary on National Reconstruction [PRIMERA PLANA 6 Mar]	16
Newspaper Criticizes Endara's First 100 Days [PRIMERA PLANA 27 Mar]	17
Editorial Opposes Pardons for Former Officials [CRITICA LIBRE 29 Mar]	17

SOUTH AMERICA

Argentina

Menem on Peronist Unity; Maintains Party Support [NOTICIAS ARGENTINAS 31 Mar]	19
Party Issues Communique [NOTICIAS ARGENTINAS 2 Apr]	20
Cavallo on Latin American Finance, Integration [DYN]	21
Economic, Trade Agreements Concluded With EEC [TELAM]	21

Brazil

Debt Talks Await Congress' Approval of Measures [Madrid EFE]	22
Cardoso in Montreal; New IDB Accords Pending [Brasilia Radio]	22

Colombia

M-19, UP, Social Democracia Unite, Create Party [Bogota TV]	22
Kidnapping Profitable 'Industry'; Cases Increase [Madrid EFE]	23

Paraguay

President Rodriguez' State of Nation Address [Asuncion TV]	23
--	----

Central American Presidential Summit Opens

PA0204230590 Paris AFP in Spanish 2032 GMT
2 Apr 90

[Text] Montelimar, Nicaragua, 2 Apr (AFP)—The sixth [as received] Central American presidential summit opened here today at 1335 in the Nicaraguan ocean resort of Montelimar, 60 km west of Managua, amid a climate of optimism over the progress achieved in the regional peace process.

"Never before have we been so close to a lasting and stable peace for Central America, a peace that we all want to be accompanied by social justice," Costa Rican President Oscar Arias said before the meeting began.

The summit was inaugurated by Nicaragua Tourism Minister Herty Lewites, who welcomed Guatemalan President Vinicio Cerezo, Honduran President Rafael Callejas, Salvadoran President Alfredo Cristiani, Nicaraguan President Daniel Ortega, and Costa Rican President Oscar Arias.

Demobilization of the anti-Sandinist guerrillas and the resumption of negotiations between the government and the Salvadoran guerrillas will be prominent topics at the summit.

The summit began amid a climate of optimism over the advances achieved since the signing of the Esquipulas (Guatemala) peace agreements in August 1987, which prompted the holding of Nicaraguan general elections in February in which the Sandinists were defeated by Violeta de Chamorro.

The peace and democratization process also obliged the United States to suspend aid to the contra guerrillas, who three weeks ago committed themselves to definitely lay down their weapons before 25 April, the date scheduled for Violeta de Chamorro to assume power.

Arias said that, together with the demobilization of the anti-Sandinist rebels, the resumption of negotiations between the Cristiani government and the Farabundo Marti National Liberation Front (FMLN) will be broached.

"We all favor disarmament and an end to the war in El Salvador," the Costa Rican president, proponent of the peace plan that won him the Nobel Peace Prize in 1987, stated.

It was learned, unofficially, that the Salvadoran guerrillas have sent the Central American presidents a letter, the content of which has not been revealed.

Despite the progress toward peace, observers note that there is still a long way to go to overcome the causes which gave rise to the wars in Nicaragua and El Salvador, as well as in Guatemala, where over the past months there has been an alarming increase of political violence.

Ortega Gives News Conference

PA0304004390 Managua Radio Sandino in Spanish
2100 GMT 2 Apr 90

[News conference by Nicaraguan President Daniel Ortega with unidentified reporters during the Central American presidential summit at the Montelimar Beach Resort in Nicaragua on 2 April—live]

[Text] [Reporter] The presidents are very impressed by Montelimar and its history, which they have been discussing.

[Ortega] Yes, they really like the Montelimar tourist project, which the revolution has been working on. The presidents admired the efforts of more than 2,000 workers who, like Comrade Ortiz, have participated in this project.

[Reporter] We understand the Farabundo Marti National Liberation Front presented a proposal in a letter sent to the Central American presidents.

[Ortega] There are a number of subjects we are to discuss at the meeting, including the Salvadoran situation.

[Reporter] What about the reduction in the number of men in the armies and the military rhelm in general? Have any governments opposed this reduction and refused to carry out exercises with extraregional countries?

[Ortega] We have a commitment to make. We will insist so that on this occasion we make up our minds and put the corresponding commissions to work to reach a reasonable balance of forces.

[Reporter] Commander, the subject of demobilization of the contras has been discussed over the past few days. Also, the possibility that the contras will stay in Nicaragua two months longer, supposedly as guarantors of the new government. What do you think should happen with demobilization?

[Ortega] The contras are not guarantors of anything. No one has designated them guarantors. In accordance with what we, the Central American presidents, signed at the most recent summit meeting in Costa Rica, the demobilization must take place immediately.

[Reporter] It has been reported that the FSLN [Sandinist National Liberation Front] has increased its shipment of arms to the Salvadoran guerrillas. What do you have to say about this report?

[Ortega] I have not heard of any formal report concerning this from the U.S. Government, although we have been in touch with U.S. Government officials. I talked with Vice President Dan Quayle recently in Chile and in Brasilia. He did not raise the issue, so I can say there has been no official U.S. Government demand on this point.

[Reporter] Is there a consensus among the Central American presidents that the demobilization of the contras must take place immediately?

[Ortega] Of course. The document signed by the five Central American presidents stipulated that the dissolution and disarming of the contra forces must occur immediately. This was agreed upon in San Isidro Coronado. Also, we all know about the Toncontin agreement, which conforms with this decision made by the Central American presidents. This decision, however, has not yet been fulfilled.

[Reporter] What do you think of the new Nicaraguan Government's stand regarding the Central American presidents' view?

[Ortega] The fact that the Toncontin agreement was signed, whereby 20 April was established as the deadline for the contra disarming and demobilization, is a positive step, provided it is complied with.

[Reporter] What do you think about Guatemalan President Vinicio Cerezo's proposal for the regional presidents to meet and discuss economic matters?

[Ortega] The economic problem in Central America demands more frequent meetings of the Central American presidents to discuss economics.

[Reporter] One question: Who do you think is to blame most for the contras having failed to demobilize thus far?

[Ortega] The party most responsible is the U.S. Government, which organized the contras into a force to attack the Nicaraguan state and people. Now we are in a situation where, although the Central American presidents agreed that the contras should be demobilized immediately, this has not yet taken place.

[Reporter] Why do you blame the United States for the fact that the contra demobilization process is not yet clear?

[Ortega] I believe that the U.S. Government has not been vigorous enough. They have voiced support for the withdrawal of the contras, but their actions have been ambiguous. On many occasions it has even tried to justify the contras' presence in Honduran territory or their crimes in Nicaragua while pointing out that they are the targets of attacks by the Nicaraguan Army.

[Reporter] Will you do your morning exercises on the beach at Montelimar? [Reporter, interrupting] [Words indistinct] demobilize the contras who are leaving Honduras but must be disarmed. They are saying that they will not disarm.

[Ortega] That is a challenge that we Central American presidents must tackle. This is an issue that I will bring up on this occasion, because I believe that Nicaragua has fully complied with its commitments. Meanwhile, the commitments to withdraw the contras, dismantle contra bases in Honduran territory—which obviously is the

responsibility of the Honduran Government—and disarm the contras in Honduran and Nicaraguan territory have not been complied with.

There is an accord, a mandate of Central American presidents that has not yet been complied with, and the contras are entering our territory in great numbers. They are launching attacks. They are continuing their attacks against the Nicaraguan people and threatening not to disarm. Therefore, we must be more vigorous in demanding that the contras disarm and demobilize.

[Reporter] [Words indistinct]

[Ortega] We have discussed very general issues within a friendly atmosphere.

[Reporter] Will the achievements of the Nicaraguan people, such as agrarian reform and many other things they did not have before, be respected following the transfer of power?

[Ortega] I believe it is advisable for the government. We will have to respect those achievements on 25 April, otherwise we would be acting against the people's will, and we would be going against the entire Nicaraguan people.

[Reporter] Will there be another revolution?

[Ortega] I am not here to proclaim other revolutions, but I can say that the Nicaraguan people will defend their achievements and the FSLN will defend its achievements. The government that was elected on 25 February has said it will work for the Nicaraguan people. So we expect it will not take measures against the people's achievements, against social gains, against the agrarian reform, against the ownership of lands the people have received, against housing received by the people, against land the peasants have received, against health programs, and against education programs.

[Reporter] Will this topic be discussed at the summit?

[Ortega] No, this is an internal matter in Nicaragua. It is a problem that must be solved by the Nicaraguan people.

[Reporter] It is being said that the counterrevolution is planning to demobilize only pregnant women, children, and old people, who will only turn in old rifles.

[Ortega] The contras are relocating forces to Nicaragua and to other areas in more mountainous regions in Honduran territory. They are sending weapons and men there. We still have contra camps in Honduran territory. I will talk about this with the Honduran president to see if he can take more firm action. We hope this commitment to disarm the counterrevolution will become a reality with ONUCA's [UN Observer Group in Central America] support.

[Announcer, interrupting] Thank you, Commander Daniel Ortega Saavedra, president of Nicaragua, for your statements to Radio Sandino. Wait, he is being asked more questions:

[Ortega, in progress] ...constitutional. The Republic's Constitution clearly states that the Sandinist People's Army has the duty of defending national integrity and the country's sovereignty, and it will continue to play this role.

[Reporter] What about a reduction in the size of the Army?

[Ortega] We advocate a reasonable balance of forces, including limits on the introduction of weapons into Central America and on the growth of Central American armies for obvious reasons. This is a pending point that Central American presidents must discuss today to strengthen the peace plan. This is a very important issue, because of the burden that military expenditures place on the Central American economies and the security demanded by Central American peoples.

We have already agreed to work with the Contadora Group to establish a reasonable balance of forces that calls for the necessary withdrawal of all foreign military from Central America.

[Reporter] The Central American presidents are already talking about an economic summit on the assumption that the war problems will be overcome. Do you believe that the conditions are present...

[Ortega, interrupting] I believe that regardless of...[changes thought] We cannot wait for war problems to be overcome before dealing with economic problems. I believe that we must deal with both problems, because they are related. Economic imbalances and the economic crisis provoke social and political problems. Therefore, we Central Americans must pay closer attention to economic problems. We must discuss them more. We must seriously work to revive the Central American market, which has weakened and is virtually in disarray. We must strengthen it. We must take into account that if the heads of state of European countries, which are developed countries with many resources, constantly meet to discuss economic and political issues, Central American countries, which are experiencing a permanent crisis, are even more obliged to meet constantly. We must more closely link the economic issue and peace, and eliminate the Central American war in all areas.

[Reporter] Will you closely monitor whatever happens after 25 April, even though you will no longer be leading the government?

[Ortega] I sure will.

[Reporter] What will you do, Mr. President?

[Ortega] I am a deputy but I am also leader of the FSLN, and I will work as FSLN leader with the people to [words indistinct] the revolution's achievements.

[Reporter] What will happen to the FSLN, since it will become the political minority within the Congress after the transfer?

[Ortega] No, the FSLN is the majority party within the Congress. The FSLN is the party that holds a majority in the Congress.

[Reporter] Which one of the other four presidents do you like best?

[Ortega] I beg your pardon?

[Reporter] Which one of the other four presidents do you like best [laughter], or do you not like any of them?

[Ortega] No, no. I like them all, in the sense that we are all Central Americans who are truly interested in working for peace and to end the war. We are also committed to a peace plan, which means that we must try to be flexible in every respect. I think that Nicaragua is an example for the other Central Americans of how much can be done within the framework of the Central American agreements. We are all committed to those agreements, since the peace plan was not intended for Nicaragua alone but for each and every one of the Central American countries.

[Reporter] In addition to your future political activities, what other plans do you have?

[Ortega] Well, my main commitment is to almost 600,000 Nicaraguans who voted for the FSLN and also to the more than 700,000 Nicaraguans who voted for the opposition. Why? To defend the people's interests, because both those who voted for the UNO [National Opposition Union] and those who voted for the FSLN voted for peace in Nicaragua and for an improvement in the living conditions of workers and peasants. That is what I will defend. I will defend the Nicaraguan people's interests.

[Reporter] What position will you have in the new government?

[Ortega] I will occupy a position with the people, from the grass roots, working with the people, with the workers.

[Reporter] Will any member of the [FSLN] National Directorate participate in Chamorro's national government?

[Ortega] No, we do not know anything about that. Mrs. Chamorro will announce the members of her cabinet in due time.

[Reporter] [Words indistinct] negotiations with the new government?

[Ortega] We have not discussed that point. That decision will be made by the new president. Mrs. Chamorro will appoint her ministers. I repeat: The Sandinist leaders and I are committed to the people. We will continue struggling along with our people who voted for peace and

economic improvement. We will continue struggling along with the people to make sure that things really get better. The new government must live up to its promise that it will do things better. I will be watchful to make sure that things really improve instead of getting worse.

[Reporter] What about a reduction of the Sandinist People's Army [EPS]?

[Ortega] That falls within the framework of the Central American agreements, which call for a reasonable balance of forces. We will introduce that subject today with the Central American presidents.

[Reporter] Commander, you are familiar with other presidents' points of views on this matter. Could you give us any advance information?

[Ortega] I can tell you that the presidents are aware of the need to reach this reasonable balance of forces. All of them agree on this. There are, however, objective problems represented by the stand of the armed forces in each of the Central American countries. These forces must be made to accept a proposal like this. We will be objective. Although the governments are politically willing, some of the Central American military sectors lack this willingness. For instance, how can joint military exercises with foreign forces be justified? How can foreign military bases in Central America, such as the U.S. bases in Honduras, be justified? How can the introduction of supersonic aircraft in Central America be justified while we are supposedly working for peace? This only imposes a huge expense on these countries. In addition, such planes are only good for exercises and air shows because there are no wars between Central American states. There are only domestic conflicts in Central America provoked by injustices, lack of democracy and freedom, and the existence of death squads. These are the factors that have caused domestic conflicts in Central American countries. These domestic conflicts cannot justify the existence and development of big armies. We must instead try to resolve the economic, social, justice, freedom, democracy, and peace problems in Central America. Then these Central American crises will be resolved.

[Reporter] Do you think the FSLN achieved its objectives in its 10 years of government?

[Ortega] The FSLN achieved a great objective not only for Nicaragua but for Central America as well. The FSLN opened in Central America a path toward democracy, a path of a nationalist and popular nature. I would like all of the Latin American governments to be able to say proudly: I can guarantee my country's army will never stage a military coup and that this army will never fire on the people. I would like to hear this.

[Reporter] Are you personally satisfied with the results?

[Ortega] Yes, I am satisfied. Of course, the people have paid a great price and made a great sacrifice. I achieved

a democratic goal with dignity. Nicaragua today continues to be as free as it was on 19 July. The electoral defeat that the FSLN sustained does not at all affect this revolutionary, democratic, popular, anti-imperialist, and nationalist process.

[Reporter] Do you think there will be elections in El Salvador as there were in Nicaragua?

[Ortega] The ideal thing would be for similar elections to be held in all of the Central American countries—just as Nicaragua allowed this kind of electoral process with no fear.

[Reporter] Commander, the Central American presidents have always blamed Nicaragua for violating human rights and similar matters. In Guatemala, Honduras, and El Salvador, people are assassinated, kidnapped, and made to disappear. Is it not about time for the presidents of other countries to report on the human rights situation in their countries?

[Ortega] We have touched upon this subject at other times and will bring it up again. We have a proposal for the internationally recognized human rights commissions to work for these rights in Central American countries. I am convinced that it is not the Central American governments that operate the death squads.

If a government wants to deny that death squads exist in its country and that human rights are violated, then it is becoming an accomplice to those crimes against human rights. We must admit that there are violations of human rights, in some cases isolated and in other cases systematic. This must be countered forcefully. The governments have a great responsibility and an end must be put to the death squads. We must not allow the emergence of death squads now, as existed during the Somozist era, in countries such as Nicaragua, where death squads have not existed since the revolution. We must also permit international organizations that defend human rights to freely visit our countries and to give their reports and support them. Why? To continue to promote respect for human rights in Central America.

[Reporter] Thank you, Commander. Do you think it is essential for the contras' demobilization to [words indistinct]?

[Ortega] We are going to hasten this. We must see to it that the disarming of the contras is carried out as soon as possible.

[Reporter] [Words indistinct] the objective of the Nicaraguan Government to demobilize the contras?

[Ortega] We have taken the respective steps. We only need to have them concentrate on the effective points and from there proceed to turn in their weapons.

[Reporter] [Words indistinct]

[Ortega] Yes, it is advanced. Yes, we have worked on that.

[Reporter] Commander, I have a separate question. Many say that the [electoral] defeat of the FSLN means the end of the FSLN. What is your opinion on this?

[Ortega] No way, because the FSLN reemerges in Nicaraguan reality as the majority, the largest, strongest, most coherent, and most consolidated party. Nobody can say otherwise. What other party is there in Nicaragua that can come close to the FSLN? None.

[Reporter] It was said that during this summit steps would be taken to consolidate a solution to the political problems of the region and that a process would be begun to confront the economic problems?

[Ortega] I would say that we are speaking of an initial phase. We will be concluding an initial phase, as long as the demobilization and disarmament of the contras are achieved. Why? Because the first stage is intimately linked to the process being experienced by the Nicaraguan people: a confrontation with U.S. policy, with the U.S. aggression, the U.S. embargo, the contras, etc., combined with the efforts carried out by the Nicaraguan Government to strengthen democracy and to permit an opportunity here so that everyone can freely exercise his political role. Also, Nicaragua is taking steps in other directions to contribute to Central American peace. At the same time, Nicaragua is reinforcing peace in Guatemala, peace in El Salvador, and peace in Honduras. The steps taken by Nicaragua serve as points of support so that the Central American countries can take Nicaragua's example to, let us say, catapult democracy in their respective countries. Then, if the disarmament of the contras is achieved, I would say that we are concluding the first stage. If the contras are not disarmed, we will not conclude the first stage.

After the first phase is achieved with the disarmament of the contras, we will go to the second phase, wherein we still have serious conflicts in other Central American countries. There is El Salvador, which is a very clear example, and Guatemala. In Honduras, one of the concerns is that the presence of U.S. troops in Honduras is giving rise to violence there. I ask: Why is there a need for U.S. troops in Honduras?

I think the problem of violence is the order of the day in Central America. The incubators of death are there. They have not disappeared. Respect for human rights has not yet been achieved. We must further unite our efforts in the political field, to put an end to violence, to strengthen democracy, and to improve the economic conditions. In the economic field, our efforts must be not only to strengthen exchange and trade among the Central American countries, not only to call for foreign aid, but also to seek a better economic distribution in each one of the Central American countries and to narrow the gap between those who have more and those who have less, because that situation exacerbates political problems.

[Reporter] Commander Ortega, does that mean that you would be following two lines at the same time?

[Ortega] Yes, it would be following two lines at the same time. A greater emphasis must be placed on the economic topic. We have been hammering away on that, it is true. We cannot deny that the economic topic is linked to the peace plan, because the European Economic Community has moved around the peace plan. This would tend to strengthen the economic aspect a little more, but without stopping to look inside our respective countries. If this economic action does not consider the great imbalances that occur in the Central American countries, then the most sensitive part of this economic problem would not be touched.

[Reporter] Do you intend to hold talks with President Cristiani?

[Ortega] We will be talking. We will have an opportunity to talk.

[Reporter] Do you intend to resume relations, Mr. President?

[Ortega] Our relations have really not been broken. There has simply been a technical suspension, but our relations have not been broken.

Honduras' Callejas Comments

PA0304025790 Panama City ACAN in Spanish
0048 GMT 3 Apr 90

[Text] Montelimar (Nicaragua) 2 Apr (ACAN-EFE)—Honduran President Rafael Callejas stated here today that, after securing peace and democracy in Central America, "work to strengthen the economy of the five countries" must be carried out.

The president, who is attending a Central American summit for the first time, told ACAN-EFE that at the meeting in Montelimar, 60 km west of Managua, a proposal, which was already discussed with his colleagues, will be presented on holding an economic summit, the date of which has not been established.

Concerning the contras, armed and financed by the United States and who are in his country, he said that "there is a commitment to disarm and demobilize them and that will be done as soon as possible."

Callejas praised the democratization process in Nicaragua and noted that "it is one more contribution toward peace in which Nicaraguan President Daniel Ortega has played an important role."

He also referred to an attack against a group of U.S. servicemen in Honduras last Saturday. He said he felt "indignant" about the attack.

"It is an act that does not constitute options. They are irresponsible actions that are not consistent with reality while we search for peace. I think there are groups who do not realize that this is not the appropriate option to demonstrate," he concluded.

Contra Disarmament Discussed

PA0304041790 Hamburg DPA in Spanish 0309 GMT
3 Apr 90

[Text] Montelimar (Nicaragua), 2 Apr (DPA)—The first round of talks of the Central American presidents at a meeting being held at the Nicaraguan ocean resort of Montelimar concluded tonight with further tension and without reaching an agreement to define the mechanisms for quick demobilization of the contras.

In separate remarks by the presidents, they agreed that the contras must hand over their arms immediately to pave the way for the government of Violeta de Chamorro, who will be sworn in as president on 25 April, and give impetus to the democratic process.

The contra leaders, who promised to disarm their men before 25 April have not succeeded in conveying the message to all of them. As a result, numerous contingents are leaving the Honduran camps for the dense Honduran mountains and those of Nicaragua. This has caused concern for the Nicaraguan authorities because this movement could result in further armed actions.

Seven Central American presidents' summit meetings have been held the past three years. This is the first time that a quick agreement has been reached on the subjects discussed, according to Nicaraguan President Daniel Ortega. He said that the idea is to effectively disarm the more than 12,000 contras who, financed and directed by the United States, tried for nine years to topple the Sandinist government.

The Sandinist leader thinks that ONUCA and the International Support and Verification Commission [CIAV] will have trouble disarming the rebels, who lost their political opportunity after the February elections.

Ortega also said that progress must be achieved for negotiation processes to be held between the Salvadoran and Guatemalan Governments and the respective guerrilla forces.

Upon leaving the meeting with his Central American colleagues, Salvadoran President Alfredo Cristiani said that the Farabundo Marti National Liberation Front make a request to the summit that it support the negotiations between the forces in conflict contains some positive points.

President Cristiani did not give a date or place for the beginning the negotiations between the Salvadoran Government and the FMLN, considering that the United Nations must make a timely announcement of this.

For his part, Honduran President Rafael Leonardo Callejas expressed the opinion that the contras must be demobilized immediately. He also recalled that Commander "Franklin" agreed to the demobilization.

The presidents' agenda contemplates the disarmament of the contras, an evaluation of the Esquipulas II agreements, a reduction of armed forces in the region, and negotiations between the Salvadoran Government and the guerrillas.

At 2000 (local) Presidents Ortega, Cristiani (El Salvador), Oscar Arias (Costa Rica), Rafael Leonardo Callejas (Honduras), and Vinicio Cerezo (Guatemala) left the casino room in the Montelimar Hotel, located 70 km west of Managua, to prepare for a dinner hosted by Daniel Ortega.

The Central American presidents' working agenda indicates that in the afternoon, 3 April, they will conclude with an announcement on the topics discussed, especially on the regional economic situation and alternatives for international cooperation.

Cuba

Continuing Coverage of TV Marti Transmissions

Havana Notes Remarks by Bush

FL0204204290 Havana Radio Reloj Network
in Spanish 2002 GMT 2 Apr 90

[Text] U.S. President George Bush today insisted on continuing the anti-Cuban television project even though the signal cannot be observed in our country because of the effective interference generated from Havana.

In a speech given at the convention of the National Association of Radio and Television Broadcasters, the President said that he strongly supports the so-called TV Marti plan and he will not give up the project which so many people in Washington view with concern.

As everyone knows, the U.S. Government has been trying since 27 March to make the signals reach our country through a complex and costly technical platform which includes the use of satellites and an aerostat, but the signal has been completely blocked by Cuban technicians. Cuba has said that the television broadcasts from the United States are a violation of its national sovereignty and an invasion of its radioelectric spectrum.

U.S. President George Bush attended the convention of the National Association of Radio and Television Broadcasters in Atlanta to personally receive that group's support for the anti-Cuban television project. The association itself has become increasingly concerned about the negative repercussions that could arise from an airwaves war with Cuba.

Bush told his audience that Congress supported the plan but Representative Al Swift, who is participating in the convention, expressed a contrary opinion. Swift said that, in the long run, the project could represent a disastrous blunder for the United States.

I am here to ask you to support U.S. traditions and to ask you once again to support TV Marti, Bush said, although he admitted that he understood the U.S. broadcasters' concerns.

In the opinion of analysts in Washington, George Bush is afraid that the National Association of Radio and Television Broadcasters of the United States will approach Congress about the anti-Cuban television plan and ask why the United States should maintain such a costly and useless channel, which only serves to increase tensions.

In January, Congress approved approximately \$32 million for TV Marti to operate for two years after the 90-day testing period. However, the final appropriation of those funds depends on whether or not the broadcasts are technically feasible, U.S. stations are not affected, and the anti-Cuban television station complies with international laws, as its promoters say it is doing. The

U.S. Congress will resume its discussion of the television broadcasts to Cuba after the three-month-testing period to determine the station's future.

'Important' News Conference Planned

FL0304005890 Mexico City NOTIMEX in Spanish
2314 GMT 2 Apr 90

[Excerpt] Havana, 2 Apr (NOTIMEX)—The war of the airwaves between the United States and Cuba has captured the interest of the international press in Havana, where more than 70 foreign journalists from nine countries and representatives from principal U.S. television stations arrived today. With the fear that the war of the airwaves will further escalate aggression between the two nations, the international press hopes to learn the position tomorrow of the leader of the Cuban revolution, Fidel Castro, regarding the U.S. television station.

The foreign journalists were invited by the Cuban Government to visit this country and they were told that a high-level leader of the revolution will grant an important news conference on the radioelectronic struggle against TV Marti.

[Words indistinct] will take between 200 foreign journalists, some permanent, others in transit, to Havana's Palace of Conventions, where the principal U.S. television stations, ABC and CBS, will also arrive.

In the meantime, the Cuban Government has incorporated the use of a naval unit to its land and air devices to block the signal of the U.S. television station which started broadcasting on 27 March. [passage omitted]

Jamming on 3 April Reported

FL0304122990 Havana Tele Rebelde Network
in Spanish 1100 GMT 3 Apr 90

[Text] At 0345 hours [0745 GMT] the enemy broadcasts began, and the jamming devices immediately began to operate. The invading signal was wiped out throughout the coverage area. The broadcasts from the platform at the Cudjoe Key military base in Florida ended at 0645 hours.

One week after the start of the television hostilities, since the effectiveness of the systems designed and operated by Cuban technicians to defend our sovereignty has been demonstrated, the directorate feels that it is pointless to continue to issue daily reports, which are inevitably repetitive. Therefore, the information on the jamming of the enemy signal will be weekly from now on.

Commentary on U.S. Policy in Central America

PA0304033790 Havana International Service
in Spanish 0000 GMT 24 Mar 90

["Our America" commentary read by Urbino Amaya]

[Text] The regional peace agreements never hindered the United States' involvement in the internal affairs of

other nations. I say this because, although Washington did not sign any of the peace plans for Central America, it consciously sabotaged them.

Although the U.S. administration did not sign any pacts whatsoever, it should nevertheless have respected these peace plans since it is the leading supporter of irregular forces—like the ones that have perpetrated aggressions against Nicaragua for the past 10 years—that blindly respond to U.S. destabilization plans.

I am hereby saying that the United States should have stopped sending aid to the Nicaraguan-born counterrevolutionary groups from the very moment it was established that they must demobilize. The fact is that after sending political and military aid to the contras for a decade, with total disregard for the peace agreements, the White House is now trying to revive the agreements, but focus them on the guerrillas, especially the Salvadoran guerrillas.

A draft of a Security Council's declaration prepared by the United States, which was widely circulated at the organization's headquarters, urges the conflicting sides in the isthmian region to fulfill the agreements reached by the presidents during their five summit meetings.

The document, which—as I said—was prepared in the United States, particularly emphasizes the suspension of foreign aid to the insurgent forces, and the verification of the cease-fire, among other things, as important elements for the achievement of dialogue.

It is evident that with the National Opposition Union's electoral victory in Nicaragua, the United States no longer needs the contra forces, but it is still bothered by the Farabundo Marti National Liberation Front [FMLN]. That is why it is attempting to secure the UN's help in eliminating the FMLN from the Central American panorama.

Some observers of the isthmian situation recall that the U.S. Government hindered the UN's peace-making efforts to dismantle the contras. The United States' fundamental goal was the Sandinist revolution's destruction. Now, the source adds, when it is no longer interested in the contras, the United States is talking about an internationally verified suspension of aid to the insurgent movements, but it has avoided discussing the suspension of military aid to the governments, including El Salvador's.

Washington and the Salvadoran Government go by the false theory that guerrillas depend on foreign aid and that the Sandinists' fall has the FMLN in a position of defeat. However, the insurgents still have fighting capabilities despite the adverse international situation. At this time, the dialogue process in El Salvador has been suspended despite the efforts made by the United Nations, which sent Alvaro de Soto, the UN secretary general's personal representative, to El Salvador.

The United States, meanwhile, is now insisting that the peace agreements be fulfilled as long as they are aimed at dismantling the insurgents, but the United States turned a deaf ear when it came to suspending aid to the irregular Nicaraguan forces.

Cooperation, Economic Accords Signed With PRC

*FL0204233190 Havana Radio Rebelde Network
in Spanish 2302 GMT 2 Apr 90*

[From "Exclusivo" program]

[Text] Friends, a Cuban economic and scientific-technical delegation ended a visit to Beijing today. The essential result of the visit is the promised reinforcement of relations between China and Cuba.

The Cuban delegation presented 33 topics of cooperation in the fields of public health, agriculture, basic industry, light industry, food, nuclear energy, water-resource management, housing, urbanization, civil aeronautics, statistics, meteorology, technical supplies, as well as social security. China was most interested in agriculture, fishing, and the sugar, food, basic, and light industries, as well as the fields of biotechnology, public health, computer science, social security, and labor safety.

In addition to the scientific-technical cooperation agreement, an economic agreement was signed in which China grants Cuba an interest-free loan payable over a 10-year period, through the year 2000, which will be used for simple projects which can be quickly implemented.

The Cuban delegation was headed by Ernesto Melendez, minister president of the State Committee for Economic Cooperation, while the Chinese delegation was presided over by Jiang Minkuan, vice minister of the State Science and Technology Commission.

Joint Commission Meeting With Iraq Begins

*FL0304105490 Havana Television Service
in Spanish 0000 GMT 3 Apr 90*

[Text] The eighth meeting of the Joint Cuba-Iraq Inter-governmental Commission began today in Havana. The delegations are presided over by Samal Majid Faraj, planning minister of the Republic of Iraq, and Ricardo Cabrisas, Cuban foreign trade minister. Bilateral cooperation began 11 years ago and is based on commercial, scientific, and technical trade. During this eighth meeting, the participants will analyze the possibility of further expanding relations in the areas of sports, public health, and the sugar industry among others.

Previously, Isidoro Malmierca, member of the Central Committee of the Communist Party of Cuba and foreign minister, received Samal Majid Faraj, Iraqi planning minister, who is in Cuba on an official visit. Walid 'Abbud 'Abbas, Iraqi ambassador to Cuba, and Roberto Blanco, department chief in the Africa and Middle East

Directorate, also participated in the meeting. During the talks, which were held in a fraternal and mutually respectful atmosphere, the two ministers analyzed the international situation, especially in the Middle East and Central America.

Soviet Afghan War Veterans Receive Medical Aid

*FL0204214890 Havana Radio Reloj Network
in Spanish 1907 GMT 2 Apr 90*

[Excerpt] The presence of Soviet citizens, veterans of the Afghan war, in our country is a very humane gesture that confirms the profound nature of the principle of internationalism.

In a news conference at the headquarters of the Movement for Peace and Sovereignty of Peoples, the chairman of the Afghan War Veterans Committee, (Aleksandr Nyeyeshev), briefed his colleagues in our country on the organization's efforts to provide orthopedic assistance to 30 maimed veterans. In a very humane gesture, 108 veterans have received this humanitarian assistance from Cuba at a time when the country is going through a special and difficult situation.

The president of the Afghan War Veterans Committee said that he has similar contacts with other countries but, he said, we feel that the most practical assistance comes from Cuba. [passage omitted]

Dominican Republic

Communist Party Denounces TV Marti Transmissions

*PA0304035490 Madrid EFE in Spanish 0248 GMT
1 Apr 90*

[Text] Santo Domingo, 31 Mar (EFE)—TV Marti transmissions not only affect and violate Cuba's sovereignty but also represent brutal aggression against other Central American and Caribbean nations, the United Communist Party [Partido Comunista Unificado, PCU] of the Dominican Republic stated today.

A PCU statement signed by its secretary general, Braulio Torres, points out that the frequency on which the U.S. station is operating directly affects Dominican Republic radio and television broadcasts. As an example, Torres mentioned Santo Domingo's Radio Mil and other stations near its frequency.

Radio Mil confirmed to EFE that it does experience interference from about 0500 until 0630 local time (0900 to 1030 GMT), but this is not new. This interference has occurred for about two years, the source, who prefers to remain anonymous, said.

According to the PCU, because of the height of the TV Marti antenna and the geographical location of the Dominican Republic, TV Marti broadcasts would have to affect Dominican television transmissions. However, the PCU adds, radio and television station owners in our country do not seem to have noticed any such phenomenon.

According to the PCU, its protest is not based solely on its solidarity with the Cuban people but also on the belief that what harms the fatherland of [Jose] Marti also harms us.

Haiti

Episodes of Violence, Banditry Resume in Capital

*FL0204163290 Port-au-Prince Radio Nationale
in Creole 1400 GMT 2 Apr 90*

[Monitored in progress]

[Excerpts] [Passage omitted] ... A money changer and a mechanic were killed on 1 April at about 0730 in the morning on Pavce Street near Rue du Centre during a holdup by five bandits armed with Fal sub-machine guns and pistols. According to an eyewitness, the bandits blocked traffic in the area and forced the money changer to give them all the money he had on him before killing him. This same witness said they then took \$4,000 from the car of another money changer, who managed to flee when the bandits began firing into the air to clear the area. [passage omitted]

Also that same afternoon two men armed with revolvers stole an attache case with several hundred dollars in it from a money changer between St. Honore Street and Grande Rue. [passage omitted]

This morning, 2 April, at around 0400, a bakery on the Carrefour Road was robbed by bandits who, after taking everything in the bakery, killed a customer whose name is not yet known. [passage omitted] They also robbed two other houses. [passage omitted]

El Salvador

FMLN Sends Letter to Presidential Summit

PA0304034390 (Clandestine) Radio Venceremos
in Spanish to El Salvador 0000 GMT 3 Apr 90

[Letter sent by the Farabundo Marti National Liberation Front (FMLN) General Command to the Central American presidents' summit in Montelimar, Nicaragua, date not specified]

[Text] Presidents Daniel Ortega Saavedra, Oscar Arias Sanchez, Rafael Leonardo Callejas, Marco Vinicio Cerezo Arevelo, Alfredo Cristiani:

A serious negotiation process has begun in El Salvador thanks to the mediation of the United Nations through its Secretary General Mr. Javier Perez de Cuellar. This implies that any peace formula must take into account this negotiation process to ensure that it is based on our particular reality and the guarantees offered by this international organization.

We believe that the negotiation's main objective should be the country's democratization, because while peaceful Central American and world developments are marked by a consolidation of democracy, El Salvador is quite far from experiencing this.

The Army holds society's real power. This prevents justice from being applied in the horrendous assassinations of Monsignor Romero, Jesuit priests, Fenastras [Salvadoran Workers National Union Federation] members, and Dr. Hector Oqueli. Under such conditions, impunity continues to be institutionalized and it is not possible to enforce respect for human rights.

Daily life is marked by repression against the popular movement and frequent murders. Arena [Nationalist Republican Alliance] applies pressure and restricts the information from the media by limiting the freedom of speech.

It is evident that El Salvador is the country that has failed to comply with the main goals of Esquipulas II—the achievement of national reconciliation, democratization, and a negotiated political solution.

This situation, which is accompanied by a permanent state of siege, is worsened by great restrictions on the political system that prevent the development of civilian society.

It suffices to mention the case of the electoral system: In Nicaragua, a country with half our population, the Supreme Electoral Council registered 1.9 million citizens in only four Sundays; in El Salvador, in eight years, the Electoral Registry registered 1.6 million citizens for the recent elections and only 1 million actually voted. In contrast, El Salvador, which has the second largest population in Central America, has the smallest parliament with only 60 deputies.

The social conflict is worsened by a war that no one has won. The time has come to let civilian society win. To achieve that we require:

- The purging, restructuring, and reduction of the army and movement toward a civilian society that is completely demilitarized.
- The end of impunity through the trial and punishment of the masterminds and perpetrators of the assassination of Msgr. Romero, Fenastras members, Jesuit priests, and Dr. Oqueli. These trials are the foundation that will ensure credible reform of the judicial system.
- Guarantees of the framework of democratic liberties.
- Via a plebiscite in the 1991 elections, that the next assembly implement amendments to the Constitution, such as the expansion of the Legislative Assembly and the creation of a constitutional framework for the demilitarization of society.
- Reform of the electoral system to register, by May this year at the latest, nearly 3 million eligible Salvadoran voters to allow them to participate in the 1991 elections.
- The carrying out of the upcoming elections without a military presence and with the participation of international observers at least six months before and until the installation of the new assembly.

The FMLN is willing to reach accords on all these issues and to implement simultaneous steps from a de-intensification of the war and an end of hostilities to accords to end the armed conflict and the reincorporation of our forces into political life. This is all in keeping with the aforementioned measures taking place.

We express our willingness to fully support a national registration drive to give all eligible Salvadoran voters the opportunity to vote and contribute toward ensuring that the upcoming elections, as was the case in Nicaragua, will help establish the bases for lasting peace.

Presidents: The FMLN's objectives are democratization, respect for human rights, establishment of a genuine legal state, demilitarization, and establishment of a national economic policy as the only means to ensure that our people will peacefully move up to better levels of well-being and development. In this regard, we believe that your best contribution would be to help promote democratization in El Salvador and to advocate a negotiation process that has begun at the United Nations.

[Signed] FMLN General Command: Commanders Salvador Sanchez Ceren, Francisco Jovel, Shafick Jorge Handal, Eduardo Sancho, and Joaquin Villalobos.

Cristiani Criticized for Remarks on Death Squads
PA0204235290 San Salvador DIARIO LATINO
in Spanish 30 Mar 90 p 21

[Reprint of article from the Nationalist Democratic Union Party (UDN) paper TRIBUNA POPULAR, dated 30 March: "Cristiani Justifies Death Squads"]

[Text] International news dispatches have reported on President Alfredo Cristiani's remarks about why the nefarious death squads have appeared and still thrive in the country.

Cristiani's remarks in Caracas have caused concern among local and foreign observers because he used strange and twisted logic to analyze Salvadoran social reality. He said that the death squads appeared in response to the formation of the Farabundo Marti National Liberation Front [FMLN]. Even worse, he said that these squads will continue to operate in our country as long as the FMLN continues to carry out political and military activities.

Cristiani's remarks have called the attention of UDN, which cannot help but reject and refute assertions designed to confuse local and foreign public opinion about the true causes of violence in the country and the FMLN's appearance and development in the national scenario.

First, Cristiani's assertions represent moral support for the groups and bands of assassins who, embedded in and protected by the structures of political and economic power, have assassinated with impunity tens of thousands of poor Salvadorans.

Second, Cristiani mistakes the cause for the effect by saying that "violence engenders violence" and that, therefore, there will be death squads as long as there are guerrillas. The truth is that the death squads were active even before the FMLN was organized. Has Cristiani perhaps forgotten the assassinations perpetrated by The White Hand [La Mano Blanca], the White War Union [La Union Guerra Blanca], and other groups that have been spreading terror for many years?

Third, violence and hostility have always been present in El Salvador since the Spanish invasion and conquest, and workers have always been favorite victims.

We hereby state this, fully cognizant of the country's history. The violence of the people has responded, as a last ditch resort, to the generalized violence of the Salvadoran Government and state.

Let us keep in mind our forebears' resistance to the Spanish invaders; the peasants' and Indians' persistent rebellion against the social injustice of colonial times; the heroic actions and the patriotic attempts that culminated in independence; Anastasio Aquino's rebellion; the peasants' and Indians' resistance to working for the new landowners who dispossessed them of their common lands during the 1881 agrarian reform; the rebellion of

workers and peasants in 1932; the historic action against dictator Martinez in 1944; the rank and file struggle against tyrant Lemus; the people's struggle against the electoral imposition in the 1970's; and the unyielding struggle of an entire people for democracy and peace with social justice, which is currently underway.

These are examples of the people's struggle and the workers' response to institutionalized violence, constant hostility and repression, alienation of the national identity, and humiliation and mockery represented by the base misery that the country's majority has traditionally suffered because of an unjust and worn out economic model based on agricultural exports, state branches and the government apparatus, the Army, the security corps, and the death squads.

This is the true and institutionalized violence. This is the kind of violence that generates more violence. Institutionalized violence is present in all facets of national life; it is visible to locals and foreigners. One does not need to be an expert to discover it and fight against it.

We will mention some examples of institutionalized violence:

The existence of an unjust economic model based on the export of indigo, coffee, and cotton, which prevents economic and social development;

The inhuman conditions of work and exploitation, the humiliation of working women, laborers, peasants, and servants;

The unbearable misery amid which a large number of Salvadorans have been living as the result of chronic unemployment, low salaries, price increases, scarce sources of employment, etc.;

Dangerous living conditions that provoke a high mortality and blindness among children, multiple disabilities, premature births, malnutrition, short life expectancy, low weight and height, poor school performance, school dropouts, lack of hygienic habits, etc.;

The aggravating economic situation of thousands of peasant families who work only during the harvest season and who, during the rest of the year, wander from farm to farm searching for the means to survive;

The extensive repression toward members of political parties, labor unions, opposition groups, and the strategy of missing people, torture, exile, and individual and mass assassinations;

The assassinations in the streets during daytime or at night of peasants, workers, and priests, etc.;

The robberies, assassinations, and rapes that soldiers have been committing for years and still continue to perpetrate;

The denial of the political rights of the majority through decades of electoral fraud;

Machine-gun fire at demonstrations where participants were only carrying banners and posters, the disruption of funerals of killed comrades, and the cold-blooded attacks on cathedral stairs and inside churches; and the closing of the university campus.

As our readers and comrades are aware, in the aforementioned examples, we did not refer to violence during the 1980's about which much has been written. We referred to the years since the foundation of the Salvadoran State in 1841, to take an obvious example.

The UDN urges the people and political and social organizations, to repudiate and unmask the declarations and attitude of President Cristiani, who once more is showing he is in favor of war and a military solution to the crisis that distresses El Salvador. Cristiani's declarations ruin the aspirations of an entire nation eager to find a political and negotiable solution.

Explosion, Injuries Reported in Santa Tecla

PA0204132890 San Salvador Radio Cadena YSKL in Spanish 1224 GMT 2 Apr 90

[Text] It has been confirmed that there was a strong explosion on 6th Street West, Santa Tecla, approximately 10 minutes ago. According to reports, an explosive device was detonated in the vicinity of (?Tidimosal) and several people were injured.

Early reports indicated that a car-bomb had been detonated, but official reports have dismissed that possibility. This station will soon have more detailed reports on the incident.

Police and Salvadoran Red Cross units went to the site of the incident to evacuate the injured people.

Six Policemen Killed

PA0204171490 Paris AFP in Spanish 1624 GMT 2 Apr 90

[Text] San Salvador, 2 Apr (AFP)—Official sources have reported that five policemen and a civilian were killed, and at least 24 soldiers injured when a vehicle loaded with explosives exploded on 2 April near a police precinct located on the southwestern outskirts of San Salvador.

The Armed Forces Press Committee (Coprefa) confirmed that the terrorist attack occurred at 0615 (1315 GMT) [as received] on Monday in Santa Tecla, 12 km from the capital.

The official report reveals that a company of policemen from the Technical Police Instruction Center, an agency of the National Police, was exercising near the precinct when a powerful explosive charge in a pick-up truck went off as the policeman went by. A Coprefa spokesman has suggested that the vehicle was probably activated by remote control by a guerrilla unit.

Honduras

Armed Forces Chief 'Condemns' Attack on Soldiers

PA0204165090 Tegucigalpa Voz de Honduras Network in Spanish 1145 GMT 2 Apr 90

[Text] General Arnulfo Cantarero Lopez, chief of the Honduran Armed Forces chief, has condemned the attack by a subversive commando against a group of U.S. servicemen, eight of whom were wounded.

Gen. Cantarero said he could not understand why some people would act like this against U.S. soldiers who are helping us by building schools and roads, and providing medicine for the people. We condemn this action, he said, and added: We will take steps to prevent actions like this from occurring again. He said actions of this kind cannot occur now that we are at the threshold of a summit meeting in Nicaragua.

Cantarero added that the culprits will be punished to the fullest extent of the law, and the Armed Forces will prevent actions like these from reoccurring. He said that some newsmen sympathize with the subversive groups. A list has already been drawn up and it may be delivered to the Honduran Newsmen's Association.

Armed Forces Communique on Attack

PA0204163090 Tegucigalpa LA TRIBUNA in Spanish 2 Apr 90 p 60

[Communique issued by the Armed Forces Directorate of Public Relations in Tegucigalpa on 1 April]

[Text] The Honduran Armed Forces Directorate of Public Relations informs the national and international public of the following:

1. It regrets and condemns the action committed on the afternoon of 31 March by a group of criminals against U.S. soldiers returning to their camp in Jamastran from the port city of Tela, where they had been working on important civic military action projects.

2. The U.S. contingent belonged to the 820th Task Force. They were on a privately owned bus in the vicinity of Amarateca, Francisco Morazan, dressed in civilian clothes, and completely unarmed when they were attacked with machineguns. Seven American soldiers were wounded, two critically. The soldiers are being treated at a hospital in Tegucigalpa.

3. The Honduran Armed Forces strongly condemns this type of action and warns criminals that an investigation and the proper precautions will be undertaken to find and charge the perpetrators of this criminal attack. The Armed Forces guarantees the Honduran people that the necessary steps will be implemented to maintain peace and order throughout the country.

Tegucigalpa, 1 April 1990.

Honduran Armed Forces Directorate of Public Relations

Commentary Considers Compensation Claim

PA0204021390 Tegucigalpa Televisora Hondurena
in Spanish 0100 GMT 22 Mar 90

[Station Commentary]

[Text] There are so many topics to comment on that one would like to refer to all of them at the same time. We will try to condense as much as we can. We have been sick for the past three days, and while resting, we have been very eager to comment on matters that have been happening over the past week. First, we want to comment on Ambassador [Crescencio] Arcos' reaction to Honduras intention to submit a claim to Washington for the damage caused by the mercenary forces the United States has kept in our territory. Ambassador Arcos did not use his best language to express how amazed he was about this claim.

We had already said that the National Congress decision—although sovereign and worthy—would be interpreted by the United States as brazen for several reasons. One reason is because the U.S. media had already published documents saying the aid to Honduras approved during the administration of Dr [Roberto] Suazo Cordoba was conditioned on permission to operate a military force in our country, which at first sought to prevent weapons trafficking to El Salvador, but later became an instrument of military pressure designed to destabilize the Sandinist government, if possible through an armed solution. The United States understood that it had somehow agreed with Honduras on a price for the use of Honduran territory. At that time, we Hondurans were incapable of assessing the moral, political, touristical, and ecological damage; the harm caused to our sovereignty; the illegal international nature of this; and other elements that represent a violation of the most elemental laws of peaceful coexistence with a fraternal nation.

Otherwise, Honduras would not have been charged at the International Court of Justice [ICJ] at The Hague as an accomplice in aggression against a neighboring country. Therefore, the lawsuit viewed by us [Hondurans] as just compensation [words indistinct] to Washington as foolishness, especially when they are running the show, and at the most critical moment for the financial survival of Honduras.

As we have said, we appear to Mr. Arcos and his government like a beggar with a club in his hand. When Argentina had to judge those responsible for the Malvinas war, it did not make British officers and officials stand trial. Argentine [authorities] made Argentines who decided to launch their people on such an adventure stand trial, although it was considered by many as heroic defiance [words indistinct].

We are trying to find justification for errors committed exclusively by Hondurans who, for whatever reason, did not consider the serious problem in which they were involving Honduras by authorizing a mercenary force to operate within our territory. This action could have lead us into widespread war with Nicaragua, which would

have cost thousands of Honduran lives and massive physical damage in our territory. This is the truth we do not want to admit; we are ashamed to admit it.

Therefore, the compensation lawsuit will not progress. In any case, it will be considered nothing but a [words indistinct] effort with good intentions, and evidence of national dignity that was trampled upon, humiliated, trafficked, and offended a thousand times. Because of the angry, undiplomatic, and even disrespectful manner in which Ambassador Arcos reacted to this, we should understand that Washington will ignore the claim. In any case, this may even serve as a pretext for some extremists in the Bush administration to deny the little aid it is about to grant to Honduras. This has been the history of Honduras' relations with respect to the United States.

That world power has done with us only what we, the Honduran people, have allowed it to do. Sometimes we have given the United States things that it never even requested. That has been our relationship with the United States from the beginning of this century, in other words, since the beginning of our history.

Three consecutive times the United States has prevented General Carias from assuming the Honduran Presidency. The United States considered him a friend of workers of the Honduran northern coast and a dangerous man. He was treated that way until Carias bowed to Washington and gave the banana companies what even he could not give them.

We are poor because we are poor. Let us not try to find another reason. We do unworthy things, because at certain times of extreme need or unjustified weakness, we have behaved unworthily.

However, we are running out of time. We have talked too much about that topic and our intention was to talk about other untimely actions conducted by our sovereign National Congress, such as the desire to create further confusion and instability in the business and labor sectors with a proposal to reform the labor benefit system.

The government has not yet implemented the economic package. It has not even started to implement it and we have a misguided Congress faction that is already improvising and trying to issue labor laws and distribute wealth the country has not yet produced but is extremely far from producing.

Who could even think of creating new burdens, problems, complications, and manipulations for the employee-employers system through reform of the labor benefit system at a time when the government is trying to carry out an overall austerity plan and when businesses are going crazy trying to find ways to adapt to the unfair economic package.

One has to be half crazy to fail to understand that we have to reorganize and revitalize our economy and allow

employees and businesses to adapt to the unfair economic package first, then to think about what will be done with the businesses' money and the employees' social benefits.

It seems to us that they are trying to fit their pants through their heads. Presently, Honduras needs revitalization of its economy. It needs to assimilate the consequences of the people's and the business and labor sectors' adaptation to the new customs tariffs, the new taxes, the new price control system, the new monetary system, and the new foreign exchange mechanisms.

Why are those deputies creating more problems if we have enough problems for all the people including government, workers, and businessmen to dance to the rhythm of the jarabe tapatio [a popular Mexican dance] for a long time?

Things must settle first. Let the country reach economic stability and let it start walking with a certain degree of firmness so that, later on, we can turn the employee-employers system upside down, if we wish. For now, let us not bite more than we can chew, much less digest.

Well, we ran out of time and did not manage to talk about those corruption charges filed against some Social Security, CDI [expansion unknown], central district, and Customs officials. Why do they file corruption charges if they do not have any intention of putting the authors of the crimes in jail? Please stop making an uproar if you do not intend to do justice. Tomorrow we will speak more slowly and more clearly.

Nicaragua

Callejas Holds News Conference With Chamorro

PA0204202090 Managua Radio Sandino in Spanish
1745 GMT 2 Apr 90

[News conference by President-elect Violeta Chamorro and Honduran President Rafael Callejas with unidentified correspondents in Managua on 2 April—recorded]

[Text] [Callejas] I have personally congratulated Violeta and shared with her Honduras' desire for good relations with Nicaragua. We also shared a few opinions on the programs that should be developed in the future, but I especially wanted to tell her that the Honduran Government welcomes the resolutions issued by the irregular counterrevolutionary forces' general staff which, through Commander Franklin, supports demobilizing the contras by 20 April, at the latest, which is consistent with the political changes taking place within Nicaragua.

[Reporter] Will the contras who are on Nicaraguan territory surrender their weapons?

[Chamorro] [Words indistinct] Nevertheless, the contras are returning to Nicaragua [words indistinct]. I believe that what you are saying [words indistinct] Miss?

[Reporter] I was asking if the contras on Nicaraguan territory, those who returned, have surrendered their weapons?

[Chamorro] [Words indistinct] There is a pledge which must be fulfilled [words indistinct].

[Reporter] Are any contra activities currently under way in Nicaraguan territory? Such activity has been reported in the local press. Do you believe the agreement signed will fulfill the goal?

[Chamorro] What newspaper published that?

[Reporter] It has been broadcast on local radio stations. contra attacks...

[Chamorro, interrupting] Frankly, I hope there is nothing of the sort because what we want is peace, tranquillity, and reconciliation among all Nicaraguans.

[Reporter] Mr. President, is there any specific subject that Honduras wants to discuss at the summit?

[Callejas] There is a planned agenda. I find that agenda acceptable; the main issue for us is to revive the pledges made at San Isidro de Coronado, in order to contribute to this phase of peace and tranquillity in Central America. Of course, other topics may emerge—the agenda is not rigid—and we are seeking a new phase of democratic transition and pursuing peace. Meetings will be held to discuss making the region stronger economically.

[Reporter] Mr. President, Commander Franklin talks about surrendering weapons in Nicaragua.

[Callejas] According to the Toncontin agreement on demobilization and disarmament, the contras in Honduran territory will, of course, have to surrender their weapons in Honduran territory through the means or mechanism established by the ONUCA [UN Observer Group in Central America] and CIAV [International Commission of Support and Verification].

[Reporter] [Words indistinct] Honduras and Nicaragua have had the problem of the suit at the International Court of Justice at The Hague. This has been discussed at the different summits. Did you discuss this specific issue with the Nicaraguan president-elect?

[Callejas] No, because that is a subject that must be discussed with the government [word indistinct]

[Reporter] Will the contras in Nicaragua be disarmed prior to 20 April or before you take office?

[Chamorro] They have the goodwill and have signed pledges. I believe they want peace just as I do.

[Reporter] Violeta, will your government issue the communique on the guarantees that the government must offer the contras in accordance with the Tela Plan? Will you go through with this procedure?

[Chamorro] We will carry out all of the procedures and do everything we can for the country's benefit. The president must leave. I thank you very much.

RN To Deliver Weapons at Honduran Border

PA0304023790 Managua Radio Corporacion
in Spanish 2328 GMT 2 Apr 90

[Communique issued by the Nicaraguan Resistance (RN) General Staff from their camp on 2 April—read by RN spokesman Alejandro Acevedo]

[Text] The RN General Staff informs the Nicaraguan people and the international public that to fully comply with the Toncontin Agreement signed on 23 March between the new Nicaraguan Government and the RN, on 18 April it will formally deliver the weapons it has in Honduran territory at the border with Nicaragua, in the area known as Yamales.

The weapons will include:

- A) light weapons: AK-47's
- B) heavy weapons: 12-mm and .50-caliber machineguns; 57-mm and 82-mm cannons; .60-cal, 82-mm, and 81-mm mortars
- C) RPG-7 and RPG-2 rocket launchers
- D) surface-to-air missiles.

The RN warns that in accordance with the Toncontin Agreement, a cease-fire should be simultaneously implemented by the RN and the EPS [Sandinist People's Army] and must be verified by the UN Observer Group in Central America [ONUCA], the International Commission of Support and Verification [CIAV], and His Eminence Cardinal Miguel Obando y Bravo. Presently, RN forces have faithfully complied with and unilaterally observed the cease-fire, while the EPS has continually violated the agreement.

This is more significant because a great number of Nicaraguan civilians, including women and children linked to the RN, who are returning to Nicaragua encouraged by the democratic triumph of the Nicaraguan people in the recent elections, could be unjustly attacked by the EPS.

Finally, the RN recalls that, in accordance with the Toncontin Agreement, the new Nicaraguan Government to be headed by Violeta Barrios de Chamorro has promised to conduct the necessary efforts with the corresponding governments to obtain humanitarian aid for RN members, as well the necessary medical attention for the victims of the conflict during the demobilization process.

Ministry on Conclusion of Cuban Advisory Mission

PA0204043490 Managua BARRICADA in Spanish
29 Mar 90 p 5

[Communique issued by the Public and Foreign Relations Directorate of the Interior Ministry (MINT) in Managua on 28 March]

[Text] The Directorate of Public and Foreign Relations of the Interior Ministry informs the public that the government of the brother republic of Cuba has decided to conclude the advisory mission that it has offered Nicaragua all these years.

The Interior Minister, chiefs, officials, and fighters acknowledge the contribution that such solidarity aid meant for this institution.

Issued in the City of Managua on 28 March 1990. Directorate of Public and Foreign Relations of the Interior Ministry.

Spain Approves \$41.3-Million Development Loan

PA0204223590 Managua Radio Sandino in Spanish
1221 GMT 24 Mar 90

[Text] The Spanish Government yesterday approved a \$41.3-million development loan to Nicaragua following negotiations between President Daniel Ortega and Spanish Prime Minister Felipe Gonzalez.

The Spanish loan will be used to purchase 100 buses for Managua, to reactivate the irrigation system for the sugar industry, to buy eight ships, and to build shrimp-farming facilities.

With this assistance, Spain is helping to solve the urban transportation problem in Managua and developing basic sectors of the Nicaraguan economy to bring in revenue in the form of foreign currency from exports.

Panama

Endara Statements May Hurt Relations With Mexico

PA0304024790 Panama City Telemetro Television
in Spanish 2324 GMT 2 Apr 90

[Text] Relations between Mexico and Panama are about to be broken after President Guillermo Endara made statements to the effect that the Mexican Government is the result of electoral fraud. Latin American diplomats said today that President Endara's statements could provoke the breaking of relations and a cooling in relations with other member countries of the Rio Group or the Group of Eight. Although the Mexican Foreign Ministry announced yesterday that it will demand explanations, through diplomatic means, for Endara's statements, it denied making any statements concerning the need to call for new elections in Panama. Nevertheless, the Group of Eight issued a communique saying that the democratic legitimation of Panama requires a referendum with no foreign meddling.

Official on Ties With Mexico

PA0304033990 Panama City Telemetro Television
in Spanish 2327 GMT 2 Apr 90

[Text] The statements made in Changuinola [Bocas del Toro Province] by President Guillermo Endara during the weekend should not lead to a break in relations with

Mexico, Assembly President Carlos Arellano Lenox has said. He pointed out that although the president is the only one who has made such statements, the president's remarks express the feelings of the Panamanian people.

[Begin recording] [Arellano] The president just said some things that actually happen in the diplomatic world. For example, consider the case of the Latin American parliament. After all the efforts we made before the OAS, and after we proposed holding a plebiscite in Panama, many Latin American countries turned their backs on us. Sometimes it is confusing to see that some countries are making statements now that they did not make when there was a dictatorship in Panama. The President has made some statements. He is in charge of foreign relations and is responsible for such statements; I suppose that, as a Panamanian, he was expressing the feelings of many Panamanians.

[Reporter] Many believe President Endara's criticisms were too harsh.

[Arellano] On the contrary, I have heard many say it was time for someone to express the truth.

[Reporter] However, this has caused tension in relations with the Mexican Government, and relations now might be at their lowest level.

[Arellano] These statements will probably not please the Mexican Government, as many other governments would not like to be told such things. However, it depends on how you look at it. Mexicans may think this is harsh criticism, but—I repeat—others may consider that the time has come to tell the truth to various Latin American countries.

[Reporter] Even if this implies a possible break in relations with Mexico?

[Arellano] I do not believe this will result in the breaking of relations. When the truth is said, if one of the parties does not want to accept the truth revealed by another party and wishes to break relations, it is free to do so; however, that is a matter that is not up to the Legislative Assembly. Foreign relations are handled by the executive branch.

[Reporter] Could it be said that Panama is being isolated in Latin America?

[Arellano] I do not believe so. We see more ambassadors returning each day and presenting their credentials. I have just met the ambassador from Taiwan. Tomorrow, if I am not mistaken, I will meet the Guatemalan ambassador, and the Venezuelan ambassador has requested a courtesy visit. Obviously, there may be some countries that were good friends with the PRD [Democratic Revolutionary Party] that are unhappy with the change. However, that change was not our doing. It was the people's will. [end recording]

PRD First Secretary on National Reconstruction

PA0304011890 Panama City PRIMERA PLANA
in Spanish 6 Mar 90 p 1

[Text] Democratic Revolutionary Party [PRD] First Secretary Pedro Pereira has given an exclusive interview to PRIMERA PLANA. During the interview, Pereira advocated national concertation to achieve stability in Panama and begin national reconstruction, the withdrawal of U.S. troops, and strict compliance with the Torrijos-Carter Canal Treaties.

Pereira added: "The new government that came forth with the 20 December invasion does not have the same balance of forces it had when it was elected on 7 May 1989. Thus, this government should reconsider its position and attempt to form a reconciliation government that will call for new elections within a reasonable period of time."

"The national instability is the result of the government's illegitimacy. Therefore, all political forces should be committed to finding an electoral solution, a participatory agreement in a climate of peace to lead the country to better roads and move away from the violence threatening Panamanian society," he added.

The PRD official noted that "the current government is supported by the invading forces, a section of the middle class, and the traditional oligarchy. These forces do not allow the consolidation of the executive branch and preclude any attempt to effectively reconcile the Panamanian nation."

Pereira recalled the famous Moncloa Agreement that was signed in Spain after 40 years of the Franco dictatorship and that was the basis for reconciliation and reconstruction of this European country. "The political forces made a commitment in Spain to democratize the country and they attained their objective, leaving to one side the persecution, revenge, and hatred that generates sudden changes in power," stressed the PRD secretary. "The only thing that united the civilist opposition was their hatred for General Manuel Noriega. Now the general is not here, the groups in power do not have a basis for support, and they should try to reach an all-encompassing national dialogue to merge all the country's interests and reach the reconstruction we all want," added Pereira.

"That the government's only solution to its problems is the United States is a mistake. National reconstruction—as in the example of other people around the world after suffering the traumas of invasion, war, and dictatorships—must be the result of an agreement among Panamanians."

Concluding, the first secretary of the PRD said that his party was willing to talk with all the political forces of the country. "We are willing to talk about a big National Agreement," said Pereira and categorically stressed that "the U.S. troops must return to their military bases as

soon as possible to eliminate conflicting points that could hinder national dialogue."

Newspaper Criticizes Endara's First 100 Days

PA0104022290 Panama City PRIMERA PLANA
in Spanish 27 Mar 90 p 1

[Unattributed commentary]

[Text] President Guillermo Endara's regime has wrapped up its first 100 days of national destruction. Without meaning to, the president has destroyed the country and the economy by agreeing to be an instrument of the invading U.S. Army, which makes a mockery of the triumvirate every day with its promises of aid while it slowly takes over the entire country as did Attila, King of the Jews [as published]. In 100 days of non-government, we have witnessed the destruction of laws, violations of human rights and the constitution, cost of living increases, higher unemployment, international isolation, the takeover of the economy by international bankers, humiliating treatment for Panamanians abroad, poverty, hunger, a housing shortage, and the future elimination of labor gains and revision of the housing code.

In other words, the Endara-Arias-Ford government has been a national disaster. The promises of a "shower of dollars" if General Manuel Antonio Noriega left were nothing but lies by those who wanted to take power at any cost to place the country at the service of their economic interests and under U.S. submission.

One hundred days after the triumvirate that arose from the occupation was installed, Panama is poorer than before. It has returned to 1904 when the gringos, through the Platas [money] Amendment [reference to agreement between Panama and the United States], intervened in all of the country's domestic matters. Now, we have U.S. citizens in the Presidency, ministries, autonomous entities, and the National Police. In sum, they took over the country and turned it into a colony with the trappings of a republic to avoid having to assume their economic political responsibilities because of the invasion.

The sad thing about all of this is that the current rulers were also duped by the 20 December invasion. They no longer have excuses or solutions and are readying to persecute and repress their adversaries and the disillusioned people who want to question the usefulness of the U.S. invasion. A government's effectiveness and plans are measured in 100 days. Endara and his team have been a failure. Even the United States is disappointed with the ruling three-men government. Ineptness is the mark of those who one day tried to captivate public opinion during an election. The time has come. If Endara wants to keep on ruling the country as he has been, he will certainly meet a rising negative reaction and, thus, he will be the most unpopular president Panama has ever had, since he will also have to bear the

original sin of the invasion and subservience to the United States. This is the time to change course and mend errors.

Editorial Opposes Pardons for Former Officials

PA0104171190 Panama City CRITICA LIBRE
in Spanish 29 Mar 90 p 4

[Editorial: "Pardon, No; Justice, Yes"]

[Text] The Panamanian people are profoundly bewildered over the remarks by President Guillermo Endara Galimany on the establishment of a Reconciliation Commission that would include granting pardons to officials of the former regime facing charges ranging from murder to abuse of authority.

According to international news agencies, Endara said "Panama needs a large dose of reconciliation." He also said: "Panamanians must overcome the sentiments of vendettas, revenge, and hatred." However, his most outlandish statement was: "It will become necessary to pardon officials of the previous governments who are not accused of political crimes."

When thousands of charges have been filed at the Attorney General's Office against military members and civilians, primarily for human rights violations, President Endara's remarks puzzle the country because they come at a time when the victims are clamoring for justice. We would like to recommend to the president that he think back on the 1968 martyrs who fell in Piedra Candela and Huacas de Quije. He should try to recall the names of Dorita Moreno, Javier Guerra, Cesareo Tejada, Daniel Heart, Hipolito Quintero, Walter Sardinias, Ariosto Gonzalez, Manuel Diaz, and Heriberto Manzzo, or more recent names: Floyd Britton, Rita Wald, Federico Falconnett, Marlene Mendizabal, Hector Gallegos, Hugo Spadafora, Yito Barrantes, Efrain Guzman, Carlos Moran, and so on.

How do you think the relatives of those killed feel, when justice has not been done yet, and when no henchman has paid for his crimes? Mr President, only charges have been brought, but no one has been condemned yet, since it turns out now that everybody is innocent and is a more convinced Christian Democratic Party member than Vice President Ricaruo Arias Calderon.

One cannot talk of granting pardons, Mr. President, when justice has not been done. True, we cannot bring the dead back to life, but the relatives of the missing must be given some satisfaction. Although safe-conducts have graciously been issued to top officials of the previous regime, we cannot foster conciliation with those who have abased and humiliated the people. We advise the president that it is not fair to talk of granting pardons just three months after taking office. If the military were still in power, they would not have done anything of the kind. Remember the military's slogan: "An eye for an eye, a tooth for a tooth." We do not know who is advising you, Mr. President, but your attitude gives

credence to the statement by Attorney General Rogelio Cruz that "officials of this government are pressuring him and interceding on behalf of civilians and military members associated with the Noriega regime."

With all due respect, we want the president to reflect on his plans, since civilian and military supporters of the past regime have gone without their privileges for only three

months, while the country languished for 21 years. We want to be understood: This nation, oppressed and humiliated by the tyrant who is now in Miami, is entitled to justice and not revenge. Were the pardons to be granted, the charges by the comptroller general and the widows of the officers killed on 3 October, and even the charges filed at the Attorney General's Office, would be of no use. Correct yourself, Mr. President. Pardon, no; justice, yes.

Argentina

Menem on Peronist Unity; Maintains Party Support

PY0204222090 Buenos Aires NOTICIAS
ARGENTINAS in Spanish 1134 GMT 31 Mar 90

[Text] Buenos Aires, 31 Mar (NA)—President Carlos Menem was able to get the full support of the Justicialist Party [PJ] for his political and economic program. The support for Menem's call for party unity was practically unanimous, with the exception of a few dissidents.

Justicialist Party President Antonio Cafiero said that Menem was "the man chosen by the teachings of Peron to carry out the changes." The party asked Menem "to go on with the state reform, and to continue with the popular market economy in harmony with justice and social equity."

Last night the plenum of the National Justicialist Council ended its internal discussions of government policies and released a document, which was partially disclosed to the press, entitled "The Justicialist Party and Government Face the Crisis." President Menem closed the meeting, which lasted about four weeks, with a speech covering doctrines and explanations for his government's actions.

President Menem began his speech at 1930 in the hall on the first floor of the President Hotel. He pointed out that Justicialist doctrine is 44 years old and that Peronism returned to the government on 8 July 1989 "to try to end hyperinflation with that goal already being partially achieved." Menem recalled a statement made by Cafiero that the current government decided "to change history" because "the world is changing and our country has remained at a standstill due to the lack of will and decision on the part of the people in government, not only in the previous administration but in the administrations over the last 15 years."

Menem spoke before 80 council members, in addition to legislators and officials. He indicated that any change creates an "imbalance," which then works to find a "new balance." As an explanation he cited the theory of Jose Ingenieros and the words used by Juan Peron, that a doctrine "cannot be a jail" but rather a "motor" for modernization.

Menem also touched the sensibilities of his party members when he recalled that Peron believed that Justicialism "was not born to die," and that Peron himself said that they should be "completely faithful to the basic principles of their doctrine." Menem did not confront the dissidents but made reference to them saying that "I feel sorry for them when they defend a simple bureaucratic structure, an empty shell"—a reference to the state. He added that "they do not realize that the organized community is not formed from above, from the state, but from below."

He also recalled that the Justicialists "have always condemned oppressive statism and savage liberalism," and that Peron voiced those concepts in a philosophical speech delivered in 1974 before he died. He recognized that "it is true that the people who forget their history mortgage the present and sell their future." However, he explained that "this does not mean having to look behind so often, because we, like the wife of Lot, can turn into a pillar of salt when we look back."

"Beyond the differences, which are just formal, Peronism is united," the president pointed out. Near the end of his speech, however, he appeared to contradict himself when he invited the party "to stop fighting among ourselves. We cannot achieve national unity if we do not unify our movement."

The president also asked his audience "not to think only about the future elections, but about future generations," because "we have no time to waste and stagnate, for we have made the decision to change history and give the people a new history with a decent life."

The president reviewed all the actions of his entire government. He admitted that mistakes were made at times and that some measures caused "concern," but he placed emphasis on state and tax reform. He said the tax reform has yielded new income for the state and cited some 300 million australs that were collected on 29 and 30 March. "We are on the right path," the president repeated to the Justicialist leaders. He assured them that "since 1929 the National Treasury reserves have never backed up the currency in Argentina as amply" as today.

The president denied that public servants had been dismissed over the past few days. He asked everyone "to put an end to corruption and to the con artist approach within both the state and private communities." The president then claimed that "it is necessary to be where I am now in order to know the hell" involved in governing, where there are "all kind of pressures from all sectors as a result of the interests involved in this change. We are performing major surgery without anesthesia," but through gradual changes and not through a shock treatment as in other countries, he said.

Finally, Menem insisted upon reversing the Argentine situation "through work and production." He made it clear that "we will still go through very difficult times as a result of these structural changes, but we are still in time to board the train of history."

In an 18-page document, which is not the first one drawn up by the Peronist leadership, the position of the ruling party was summarized in less than five pages, and it emphasized support for the government. It abolished the chapter on the relationship with the executive branch, hardened the terms regarding the market economy, removed the specification "social" from it, and emphasized the Justicialist's "national model for the state's well-being."

The original chapter on the relationship between the government and the party said that the Justicialist Party would support the guidelines for the government's action "as long as those guidelines correspond to the philosophical and doctrinaire principles of our movement and adjust to the proposals of our electoral platform."

In an attempt to define its role, the Justicialist Party proposed "to encourage the National Government to more carefully weigh the negative impact of some of its decisions" and suggested greater party participation "in the decisionmaking process, not only to strengthen party cohesion—as the government's main political support—but also to achieve greater efficiency in the implementation of those policies."

In conclusion, the draft document says: "The Justicialist Party respects the president's right to choose his own assistants, but it warns about the inappropriateness of non-Peronist leaders, who are linked to ideological trends foreign to the historical Peronist beliefs, becoming official policy spokesmen."

Party Issues Communique

PY0304033390 Buenos Aires NOTICIAS
ARGENTINAS in Spanish 2326 GMT 2 Apr 90

[Text] Buenos Aires, 2 Apr (NA)—The Justicialist Party today formally proposed an agreement to all political parties to protect the democratic system on the basis of a social truce and congressional support in 1990 for the government's stabilization and anti-inflation plan. During the proposed truce, political organizations should discuss the state reform, the privatization plan, and the reorganization of the financial system, and they should commit themselves to amending the Constitution.

The Justicialist Party proposal is outlined in an official document drafted by the party leadership. Although fully endorsing President Carlos Menem's administration, the document demands the party's participation in the decisionmaking process, vindicates the party's doctrines, and criticizes liberal-conservative ideas. At 0900 tomorrow, PJ President Antonio Cafiero will deliver the party's final document to President Carlos Menem, during a breakfast meeting.

The text of the document was released today by PJ spokesman Jacinto Gaibur at the PJ headquarters at 1134 Callao Street in Buenos Aires. The final version contains substantial additions to the drafts that were leaked in recent days: It fully endorses the role of the state, warns of social and institutional instability that could result from the government's program, and demands crystal clear privatization procedures. The document reiterates that there are examples throughout the world showing that "only political parties with updated doctrines, united under common denominators can—along with the leading social sectors—lead a process of change and transformation."

Advocating the updating of doctrine, the Justicialist Party leadership says that "the updating of doctrine means defeating those who are willing to return to the lost paradise represented by post-war models, as well as outright rejecting those liberal-conservatives who seek to make us tilt ideologically toward crude, inhumane approaches to efficiency."

In its call for national unity, the PJ states: "We also want to urge the Argentine people to examine our national reality without prejudice and to reach the necessary agreement to promote changes with social justice." In this regard, the document quotes a paragraph of a speech delivered by Menem before the Legislative Assembly on 8 July 1989: "We believe that national unity cannot be consolidated behind hegemonic projects or paternalistic attitudes, behind passionate outbursts or short-lived emotions. A government of the people, for the people, and by the people cannot be subordinated to the dictates of a man, to the will of a party, or to impositions by any one sector."

The PJ document states: "No solution is feasible without an agreement that would make all political leaders commit themselves to joining efforts to support the establishment of a new socioeconomic organization that would enable the national government to impose strict discipline on those pressure groups that, deliberately or not, seek to preserve a system of privileges and immorality that has interfered with and blocked the basic reforms proposed by some constitutional governments, and that have thus forced us into recurring, aggravated crises."

The document adds: "Our political objective is to agree on the unrestricted, unconditional defense of the democratic system established in the Constitution." It also makes it clear that the economic goal "is to agree on measures designed to stabilize the economy, to stop hyperinflation, to reform the state, and to bring the country back into the productive revolution and growth and thus guarantee job and salary conditions that are commensurate with the dignity of our people."

As to the social objective, the PJ proposes "to achieve a consensus on the generation of resources and the immediate implementation of a social program for the most destitute strata of our society."

After repeated complaints by PJ dissidents, the Justicialist leadership finally added concepts clarifying, in extreme detail, the Peronist doctrinaire position on state reform, privatization, financial and fiscal reform, expenses in the social sector, and other topics of the debate that ended on 30 March.

Regarding state reform, it has been determined that it must be aimed at "ensuring prioritized attention to the essential services of the central administration, defense, security, justice, health, education, and housing, and at transferring to the private sector all activities of an

entrepreneurial nature that can be developed under competitive conditions or under effective and open state control."

"The state should not be a passive observer of reality. It should not be an ineffective manager or a partial arbiter. It must possess political capacity to establish broad guidelines without becoming an instrument of the special interest groups, and it must provide the services that are required by social justice. The main condition for its operational reorganization is to create a strong state, that promotes and administers the common good," explained the Justicialists.

The document also establishes limits on the privatization program, proposing "an orderly and demystified privatization program that allows the broad participation of all private sectors that are interested in investing and taking risks. It proposes a program organized in such a fashion to eliminate the possibility of arbitrarily choosing a bidder, of transforming privatization into a purely financial business in which effectiveness is not guaranteed, or of reconstructing private monopolies that are not clearly regulated by norms established before the implementation of the privatization program."

Referring to the fiscal reform, the document explains that "the state's failure to finance its unavoidable obligations must necessarily lead to tax reform in which the tax burden is equally distributed; the level of taxes is moderate; and no one is exempt from them, thus creating unjustified privileges, possibilities for tax evasion, and corruption."

The document also proposes the complete elimination of the budget deficit, control over the printing of money, and the simultaneous elimination of subsidies and privileges that are granted "to the economically powerful sectors of the private activities." It also calls for the elimination of controls "that are unnecessary and that have interfered with the functioning of the markets."

The document calls for the "firm" implementation of a reform of the financial system, because "if this plan is not thoroughly complied with, it may endanger the community's efforts for stability."

The document adds, "It would be absurd to privatize state-owned enterprises to reduce the fiscal deficit, if the government does not correct the financial system, which is permanently refueling the deficit of the state-run enterprises and the global deficit of our society."

As to expenses in the social sector, the document proposes "the assigning of more funds to the sector, and the reassignment of the funds already destined for the social sector, thus ensuring a program of intensive social assistance."

The document concludes by stating that political accord "must ensure congressional support for the legislative initiatives that the executive branch may submit to

Congress in (?1990) with the objective of implementing the program proposed in the previous paragraphs."

Cavallo on Latin American Finance, Integration
PY0304025090 Buenos Aires DYN in Spanish
1438 GMT 1 Apr 90

[Text] Buenos Aires, 1 Apr (DYN)—Foreign Minister Domingo Cavallo has said that "financial investments have greatly conditioned Latin American economies." He also said that it is necessary to create "a favorable atmosphere" for Cuba "to join the continental integration process."

The foreign minister pointed out that "we must favor capital retention in each of our countries in the form of risk investments in our economies, and, at the same time, we must stop depending on the import of financial capital, which has a very peculiar characteristic," that is, "the financial creditor wants to collect interest when the country's economy is recessive and is willing to reinvest his capital only when the economy is growing."

In remarks to EL CRONISTA COMERCIAL, Cavallo said that "in 1990 and 1991, we must take concrete steps for" Latin American "integration." Cavallo said: "We have talked about actively cooperating in nuclear energy matters and establishing Latinatom [expansion unknown], an organization similar to Euratom [European Atomic Energy Community], which permits Europe to control itself, develop its potential, and progress without foreign controls on research, with its own funds and technology. In this regard, Argentina has much to contribute and is already doing so."

Asked about Argentine positions on issues such as Panama and Cuba at the meeting of the Group of Rio that is taking place in Mexico City, the foreign minister said: "Argentina's opinion coincides with that of the countries that are more involved in the Caribbean issue, such as Mexico. I would add that it seemed appropriate for us to emphasize that the Torrijos-Carter Treaties be strictly complied with and that U.S. troops withdraw to their bases and not participate in activities that are the responsibility of the respective security forces of each country. That is our position on Panama. Regarding Cuba, we said that it is necessary to create a favorable atmosphere for this country to join the continental integration process."

Economic, Trade Agreements Concluded With EEC
PY0204191990 Buenos Aires TELAM in Spanish
1747 GMT 2 Apr 90

[Excerpt] Buenos Aires, 2 Apr (TELAM)—The EEC and Argentina today signed an economic and trade cooperation agreement at the Kirchberg Palace in Luxembourg establishing that relations between the two parties will be based on respect of democratic principles and human rights.

Argentine Foreign Minister Domingo Cavallo headed the Argentine delegation. Cavallo said that for his

country "the agreement is of special importance. It is recognition of our efforts to put the economy on a sound footing, it ratifies the EEC support for our democratization process, and it encourages our regional integration." [passage omitted]

Brazil

Debt Talks Await Congress' Approval of Measures

PY0204192090 Madrid EFE in Spanish 0034 GMT
2 Apr 90

[Excerpt] Montreal, 2 Apr—The new government of Brazil will not initiate renegotiations of its foreign debt with private creditors until Congress approves the package of measures put forward by President Fernando Collor de Mello.

Brazilian Economy, Finance, and Planning Minister Zelia Cardoso de Mello today confirmed that negotiations with creditor banks to reschedule part of one of the largest foreign debts of any developing nations (\$115 billion) will take place after the country's Congress approves measures adopted by the government last month. The minister said that contacts with creditor banks will be maintained but these contacts will not be considered part of the negotiation process.

Minister Cardoso de Mello is attending the opening of the 31st Annual Assembly of the Inter-American Development Bank (IDB) today and will later leave for Washington, where she has important high-level meetings scheduled for tomorrow.

The Brazilian minister will meet on 3 April with U.S. Treasury Secretary Nicholas Brady, U.S. Foreign Trade representative Carla Hills, and IMF Director-Manager Michel Camdessus. [passage omitted]

Cardoso in Montreal; New IDB Accords Pending

PY0204170490 Brasilia Radio Nacional
da Amazonia Network in Portuguese 1000 GMT 2 Apr 90

[Text] Economy, Finance, and Planning Minister Zelia Cardoso de Mello is in Canada to participate in the annual meeting of the IDB [Inter-American Development Bank]. She has already met with the IDB president to explain the main aspects of the Collor government's economic stabilization plan. It was decided that an IDB mission will come to Brazil at the end of this month to sign new agreements worth \$450 million for the electricity and transport sectors.

The IDB is optimistic over the economic policy that is being implemented by President Fernando Collor de Mello. This remark was made by David Jackson, the IDB representative in Brazil. The IDB's participation in Brazil is significant: It has already lent Brazil \$7 billion, which is equal to 16 percent of all its loans. All this money, according to the IDB representative, has been

invested in nearly 20 projects in the areas of electricity, agriculture, industry, finance, road construction, sanitation, and education.

According to David Jackson, Minister Zelia Cardoso de Mello's presentation of the New Brazil Plan at the IDB meeting will help to increase these investments.

The IDB's annual meeting is considered the high point of the institution's yearly activities. The participants are generally economy or finance ministers, central bank presidents, or high-ranking officials of IDB member countries.

Colombia

M-19, UP, Social Democracia Unite, Create Party

PA0204200290 Bogota Inravisión Television
Cadena 1 in Spanish 1730 GMT 2 Apr 90

[Text] The Patriotic Union [UP] is not finished; it is expanding, UP President Diego Montana Cuellar said today. Spokesmen for the UP, the 19 April Movement [M-19] and Social Democracy [Social Democracia] met this morning to launch what will be called the Democratic Convergence [Convergencia Democrática], which will synthesize the ideas of various political sectors and work for peace in the country. Here is a report by Carlos Arturo Paez:

[Begin recording] [Paez] The left-wing groups decided today to form Colombia's newest political party. The plan came to fruition at a meeting held by representatives of 12 democratic left currents, some of which are the UP and the M-19. This political movement will embody the ideas of Bernardo Jaramillo Ossa, the slain senator-elect.

[Mariela Barragán, Jaramillo's widow] The nation must join in making a single effort to defend its sovereignty, which today is threatened.

[Paez] The party will suggest renouncing war as a way of attaining power and will suggest supporting the Constitution.

[Montana, in progress]...a movement that will permit all (?intelligent) forces that are up in arms to join civilian life.

[Paez] The platform and by-laws will be defined 27-28 April. Although no decision has yet been made about a presidential candidate, a decision will be made about voting or supporting [M-19] leader Carlos Pizarro.

[Unidentified reporter] Could you be the person who would head this movement?

[Pizarro] [Words indistinct] my candidacy this afternoon. But there are many men here and [words indistinct].

[Paez] Meanwhile, members of the Communist Party of Colombia are meeting here at party headquarters analyzing the situation that has arisen following the split with the UP. These points will be discussed at 1500 at a meeting with the UP. [end recording]

Kidnapping Profitable 'Industry'; Cases Increase

PA0304014790 Madrid EFE in Spanish 0223 GMT
1 Apr 90

[Report by Juan Jorge Faundes]

[Text] Bogota, 31 Mar (EFE)—Kidnapping is one of Colombia's most profitable industries to the extent that, according to police statistics, four people have been kidnapped every day so far in 1990, a figure double that of the same period in 1989. The Judicial Police and Investigations Directorate [Dijin] this week reported that 326 people have been kidnapped for extortion purposes so far this year.

Dijin said that the number of kidnappings in this period doubled the number of abductions during the same period in 1989.

According to the Administrative Department of Security [DAS], in 1989, cattlemen paid 2 billion pesos (\$5 million) to kidnappers and blackmailers who threatened abducting or assassinating them if they failed to pay.

According to DAS, guerrillas or criminals stole 10,000 head of cattle in 1989 and have stolen 1,500 of the animals so far in 1990.

Sources consulted by EFE, both police sources and those who study Colombia, have pointed out that guerrillas participate in 20 to 30 percent of the kidnapping business and common criminals account for the remaining 70 to 80 percent. These percentages of participation in the kidnapping industry are only estimates and nearly impossible to check because in many cases guerrillas kidnap people to finance their activities and never claim responsibility for the act. Also, many people are kidnapped by common criminals, but the crime is reported as being perpetrated by guerrillas in an attempt to hide the true malefactors.

According to the DAS, Cordoba, in the country's north-east, is the department most affected by this kind of crime. Other departments hit hard are Antioquia in the northwest, Santander in the northeast, and Cauca in the southwest.

According to the DAS report, the situation has become so untenable that it seems impossible to restore social balance in Cordoba even on a mid-term basis since the population has accustomed itself to coexisting with these irregularities or combating them with mechanisms other than those stipulated by law.

Mechanisms other than those stipulated by law, referred to by the DAS, are usually cattlemen organizing themselves into self-defense paramilitary groups or death

squads. These paramilitary groups defend their properties or mount raids against peasants considered accomplices or informants to leftist guerrillas or common criminals who blackmail them.

According to the DAS, one of the causes of this situation is social disruption and the precarious economic situation of the communities located in municipalities and localities that lack the most basic services, a reality that is most glaring in Cordoba.

Five guerrilla groups are active in Colombia. The most belligerent, and the one that has used kidnapping to the fullest extent, is the pro-Castro National Liberation Army [ELN]. Other groups include the Communist Revolutionary Armed Forces of Colombia [FARC], the Maoist People's Liberation Army [EPL], the indigenist Quintin Lame, and the Trotskyist Revolutionary Workers' Party [PRT].

Paraguay

President Rodriguez' State of Nation Address

PY0204120290 Asuncion Red Nacional
de Television in Spanish 1328 GMT 1 Apr 90

[State of the nation address by President General Andres Rodriguez at the Congress Building in Asuncion—live]

[Text] Honorable Congressmen: This is the first time I have had the honor of opening a congressional year in accordance with my constitutional duties. In doing so, I feel the growing responsibility assumed by the nation as a whole on 2 and 3 February 1989. I will talk to this honorable Congress informally, expressing my thoughts and convictions in a clear and honest manner, as befits the new times in which we are living.

We overthrew a dictatorship and assumed the historic responsibility of reestablishing freedom in order to restore dignity to the country. Those who inhabit this country have probably never experienced the real dimensions of freedom. We looked for it but could not hold on to it. This is why this historic moment is so important. It seems that, at last, we are achieving a precious goal, permitting the existence of a creative freedom.

It is an hour of great responsibilities. We should never again allow anyone to take our banners down, now that at last we have begun to walk the path of our political and social redemption. We should endeavor to educate the conscience of our citizens through our political activity, instilling in them a sense of freedom and democracy.

Our political action must therefore be an instrument of service to the community, without demagoguery. The well-being of the fatherland should be viewed as the purpose for education, emancipation, culture, and for freeing citizens from all forms of degradation.

We said in our 3 February proclamation that we have taken up arms to help bring democracy to Paraguay. Our subsequent actions have confirmed our constant devotion to those principles. If there were flaws in our administration—and it is likely there were—it was not because we did not try to persevere, but because we lacked experience. We humbly accept responsibility for our mistakes. We are determined to correct them because only the conceited believes he cannot err. [applause]

A society becomes dumb without a free press, because it lacks information and criticism. Without criticism the fertile thought becomes arbitrary and mediocre, and, what is worse, public service becomes saturated with praise and lacks the indispensable oversight it needs to assess its achievements and mistakes. [applause]

One of our first government actions was to restore full freedom of expression, abandoning the vicious tools of censorship and self-censorship. I am satisfied to say that the government has not attempted to influence this freedom in any way. Our civilized existence is based on a free and responsible press.

Political parties recovered their right to self-determination, or perhaps experienced it for the first time. Clandestine political activity is no longer necessary, and its repression was abolished. People can now freely express their concerns within their political parties, and political parties, in turn, can carry on their activities in absolute freedom, something not known before.

On 1 May 1989 political parties recovered the necessary room to operate normally, and that became a decisive factor in the institutionalization process. The aberrant practices disappeared and a stimulating ideological pluralism reappeared to lend encouragement and meaning to the vote.

We can only do what is possible and reasonable in the present conditions. The government installed after 3 February could not have fulfilled its juridical, political, economic, social, and international commitments without the appropriate institutional legitimacy. We used the available laws and called general elections, conscious of the risks of operating with bad legislation. The elections, however, were far better than previous ones.

This Congress was elected in that election. The vote also gave legitimacy to government institutions and state powers. We must work together, government and social forces, to create the political and juridical mechanisms to ensure our transition to democracy.

Allow me to ask you to put all your efforts into this task. Allow me to ask you to give up futile selfishness and factional politics to work for national greatness. Allow me to ask you not to postpone solving the urgent problems that deny our citizens access to education, health, housing, jobs, and just salaries. [applause]

The well-being of the people should be first among our priorities. Interests other than those of the people lack moral foundations. We cannot allow politics to be in confrontation with ethics. [applause]

Our pacts must be an example for the people. Let us not preach democracy and ignore it in our behavior, because we are thereby destroying our credibility. [applause] Who will believe in our sincerity when we pass rigorous judgment on previous authorities if we adopt the same political procedures and stratagems? [applause]

The executive branch has been faithful to its democratic goals and has not only restored the state of law and full respect for human rights, but has also contributed by submitting bills for necessary legal reforms.

The government convened a special session of Congress to study and approve a new electoral code, which was submitted to you with a civic spirit and the willingness to cooperate. This project was the clear proof that we are moved by an ardent desire to consolidate our democracy. [applause]

We have promulgated the code just as you approved it, without amendments, thus giving you proof of our respect for your legislative work. We will let future elections provide us the experience to correct the voting mechanism. [applause]

We have ahead of us the honorable and important task of reforming the Constitution. We will face the challenge of elaborating a modern set of rules to meet the present demands of a civilized and democratic society. We must present our country with a good constitution, suited to its glorious history, so that social justice can be founded on the most advanced legislation. We must work on this task, but above all, we must enhance the prestige of our fatherland with a decent set of laws. [applause]

Honorable Congress, we will never have enough time to make the necessary changes to achieve our common goal of progress and well-being. The tasks ahead of us are many and urgent. We will spare no effort to build our democracy and to reconcile our nation with its destiny of progress, equality, and justice. [applause]

Honorable Congress, the national government through the Interior Ministry has worked strenuously to guarantee public peace, always in accord with the laws in effect. The capital's police force has improved its structure and organization and has worked to train its personnel and modernize its facilities and equipment to render efficient and adequate service to society. The negative image of a repressive and arbitrary police has been replaced by the image of an institution seeking to guarantee public order and protect citizens in the exercise of their rights, as established in our laws. [applause]

The police have emphasized preventing illegal activity and thwarting all actions that could threaten peaceful existence and the normal course of public and private activity. The government delegations in the departments

have followed national government directives and have given the population guarantees and the necessary legal framework for their normal activities.

The government has conducted a census of landless peasants, the results of which were sent to Concode [National Coordinating Council for Rural Development] for evaluation.

We can assure you that the security forces have worked hard overcoming difficulties, occasional misunderstandings, and even unjust criticism in performing the necessary job of law enforcement. The national government is convinced that democracy, and the free exercise of constitutional rights, should not be confused with ill-advised activities that try to disrupt the legitimate order. Those activities only attempt to destroy democratic principles and the civilized coexistence that most people want.

The government has launched an intense and decisive campaign against the production, traffic, and consumption of drugs, through the National Narcotics Directorate [Dinar] to repress the illegal trade, arrest those responsible, and seize the drugs. We have designated an Armed Forces representative as Dinar adviser to help fight this scourge that attacks society, particularly the youth.

We have received important aid as a result of the narcotics control cooperation agreement that the government signed with the U.S. Government to strengthen our activity against drug traffickers.

Within the framework of this cooperation we carried out missions of aerial reconnaissance, surveying, mapping, and destroying marijuana plantations in the departments of Concepcion, San Pedro, Amambay, and Canendiyu. [applause]

Honorable Congress, a country projects its internal situation through its foreign relations. In the past year Paraguay has legitimately joined the international community and participated in many activities affecting multilateral and bilateral relations. The first measure to improve the tarnished image of the country has been the congressional ratification of treaties on human rights, such as the Pact of San Jose, Costa Rica, the Inter-American Convention To Prevent and Punish Torture, and the Convention on Women's Political Rights. [applause]

Our new reality was made known to the international community through the country's dynamic participation in international organizations and meetings. Paraguay is looked at today with increasing friendliness, and the increasingly frequent expressions of that friendship demonstrate that our policy is correct.

The OAS distinguished Paraguay during its 29th Ordinary Session in Washington in November 1989 by selecting our country to host its next session, between 4 and 8 June 1990. This selection is the best recognition of

our efforts to democratize the country. Paraguay will host a continental event that many heads of state and foreign ministers will attend.

The president has taken the initiative to meet the majority of his Latin American colleagues. We have received visits from the presidents of Argentina, Brazil, Venezuela, Costa Rica, and Uruguay, as well as the visits of other illustrious personalities, such as the U.S. vice president and the Spanish secretary of state for international cooperation. The Paraguayan president has also met the majority of them in their own countries or in third countries. Some examples are his meetings with the Bolivian and Peruvian presidents. This is proof of the prestige Paraguay has achieved and the interest our political, economic, and social process elicits abroad.

The growing interrelation with our brotherly countries, particularly our neighboring countries, has been translated into ambitious integration projects. We can point to trade advantages we obtained with Argentina, Brazil, and Uruguay through the use of shared or continuous waterways; the Parana-Paraguay waterway project; important infrastructure works, such as the San Roque Gonzalez de Santa Cruz international bridge, which will be inaugurated tomorrow, between Encarnacion and Posadas; and the improved facilities in Argentine and Brazilian ports for the export of our products.

An important event for our foreign policy was the presence of the president at the 44th UN General Assembly. On that occasion we outlined the main points of our new political, economic, and social reality and received overall approval. It was also an appropriate opportunity to exchange views with other presidents.

We launched an intensive diplomatic campaign abroad, mainly at the United Nations and the OAS, to inform all states of what we are doing for human rights in the country and to project the image of a democratic country where individual and collective rights are one of the government's main concerns.

The arrival of an inter-American human rights commission for the first time in our history and the UN Human Rights Commission's adoption of a resolution terminating an old investigation into our country have made us feel totally incorporated into the select group of nations where these rights are respected.

A clear indication of our improving image as a free and democratic nation committed to the modernization effort is the composition of our foreign service and presidential entourage, with members of all political parties and social and economic sectors. This is just one more piece of evidence of the democratic, progressive, and integrationist spirit of the country.

During last year's Latin American presidential meetings in Buenos Aires and La Paz and this year's presidential meetings in Montevideo, Santiago, and Brasilia, we have been in accord with the other Latin American presidents

in a common and irrevocable will to proceed along the path of freedom, progress, and democracy.

Today we can affirm that Paraguay is an active partner in the international community. The isolation that it had to endure is finished for good.

Honorable Congress, in 1989 the government assumed the responsibility of correcting grave imbalances in the economic and financial sector to prevent a serious crisis. The main characteristics of the impending crisis were a sustained and growing inflation rate, a continuous increase in hard currency prices, an increasing trade deficit, reduced investment on the internal and external fronts and a subsequent lack of new jobs for the many jobless people, a critical reduction of our monetary reserves, and a general weakening of the real development prospects of the country.

In view of the seriousness of the situation, economic authorities took urgent measures to redirect the national economy. At the end of February 1989 the government adopted strong economic, financial, monetary, and exchange measures to correct these imbalances.

One of these measures was the adoption of a single, free, and fluctuating foreign exchange rate for the import and export of good and services, movement of capital, and public and private payment of debts. In order to maintain appropriate control over the issuance of currency, the government established a strict ceiling for official credit to the public sector in order to liberate resources to finance the production sector.

We implemented strict control over public finances to counter the negative influence of the change from a highly overvalued official exchange rate to a free and fluctuating exchange rate. This measure, implemented to eliminate all forms of fiscal deficits, was complemented by an increase in tax collection and strict control of expenditures.

The six-percent increase in the 1989 GDP is satisfactory because it is more than twice the population growth, which represents an important economic improvement.

After more than a decade of trade balance deficits, in 1989 the country was able to carry a surplus of about \$300 million. The fiscal deficit of the central administration has been eliminated and that of the decentralized organizations has been greatly reduced. The fiscal collection in 1989 was 76.4 percent higher than in 1988. Despite the implementation of the new economic policy, which represented a thorough adjustment with improvements in public services and the minimum salary, expectations of a high inflation rate were neutralized, with the inflation rate below 30 percent.

The amount and structure of the foreign debt, which was causing great concern, was put in order, and an important part of it was renegotiated under very favorable conditions for our country. Titles on the Brazilian debt with discounts of 75 percent on their nominal value have

been purchased, thus substantially reducing the debt with Brazil. Our actions in this regard have produced favorable conditions for reducing in the short-term the effect of the foreign debt on the economic growth of the country.

In the last few years the country's international reserves deteriorated very quickly, so that in February 1989 our reserves were only \$134 million. One year later international reserves have increased to \$281.4 million, an increase of 110 percent. International reserves, including other assets, are currently \$387 million. The U.S. dollar exchange rate has fluctuated very slightly, establishing the desired exchange stability.

The country was able to move from a rigid economic policy characterized by an unreal exchange rate into a system of economic freedom that brought about a sensible improvement in all sectors of the national economy and complete clarity in all activities. The national government has tried to implement a free commercial policy and has taken the first steps in that direction, including the elimination of the state monopoly on spirits, the elimination of the state monopoly on the commercialization of alcohol fuel, free bargaining over prices for basic products, free production and commercialization of spirits and other alcoholic beverages, and free production and sale of alcohol fuel.

The national government plans to carry out a fiscal policy that will be in step with the priority objective of increasing economic activity, which in turn can bring about greater socioeconomic well-being in the areas of agrarian reform, education, and health. A tax reform plan is currently under study. The plan basically includes the elimination of many unproductive taxes and the creation of a small number of more productive and effective taxes. This is aimed at substantially improving the fiscal situation, which will create better possibilities, especially for the government's social action policies.

The national government will continue to make great efforts to develop the national economy because it is one of the pillars for the well-being of the population. One of the main medium-term goals for the economy is a substantial reduction of inflation and the continuation of economic growth.

Regarding reductions in public expenditures, the national government is carefully studying the need to transfer some state organizations, that are becoming a burden to the national economy, to the private sector or to mixed enterprises. [applause]

It is worth pointing out that, thanks to the current economic policy, public employees were able to get a Christmas bonus for the first time, fulfilling an old wish. [applause]

The national government promulgated Decree-Law 19 of 28 April 1989 to promote national and foreign investment in the belief that the main cog of national development must be based on the quick expansion of productive activities in goods and services aimed at replacing imports and exporting products to the international market under a system of free competition and at creating new sources of employment.

The national government, whose main objective is to accelerate the development of the national economy through government financial organizations, provided economic support to the productive sectors in 1989 with loans worth 133 billion guaranies, bringing great benefits to various sectors. Of these loans, 75 percent went to the agricultural sector, 17 percent to the industrial sector, and 8 percent to other sectors. The loans granted in 1989 were 56 percent higher than in 1988.

Honorable Congress, in 1989 the national government was able to use its technical-administrative capabilities in the education field, in accordance with the 1989-1990 National Development Plan. The increase in the budget of the Education and Worship Ministry from 32 billion guaranies in 1988 to 56 billion guaranies in 1989 is a significant event, because it represents an increase of 76 percent. It is worthwhile to point out that the Education and Worship Ministry reprogrammed the 1989 budget to answer the teachers' request for a salary increase. Taking into consideration the new social, political, and cultural conditions in the country, studies were done on the different educational programs, and measures were adopted.

A commission was created to study a reform of the national educational system. The commission is made up of teachers, specialists, and representatives of the different sectors of Paraguayan society who will evaluate the educational situation in various regions to serve as a basis for changes at the regional and national level. Specialized teams continued with the preparation of school plans and programs, and changes have been made in the school commerce programs. Emphasis has been given to education on civics, ethics, and the defense of native cultural values, which are important for the cultural development of the nation.

The printing of school books for the basic stages of the medium level has been completed. Each subject is accompanied by a didactic booklet and distribution will begin this year.

We have established a system of public merits competition to ensure that the best suited teachers are incorporated to the school system. In this way we will attempt to encourage quality and efficiency in the profession.

We have 654,961 children registered in primary schools. They represent an increase of 4.3 percent compared to last year. We have been able to gradually improve the level of teaching and lower the percentage of those who repeat grades or drop out.

A total of 147,850 students have registered in 867 high schools. Some 55 new institutions have been created, 88 percent of which are in the interior and 12 percent in the capital.

We have increased the number of students in the technical, industrial, and professional schools. The training of new teachers has been a permanent concern of the government. New specialization courses for teachers have been created.

A program to combat adult illiteracy has been implemented in 402 centers, for 30,056 pupils.

The Institute of Superior Education, besides its regular courses for pre-primary and primary levels, has offered other courses for middle level teachers, for special education, and for education evaluation and administration.

In the cities of Fernando de La Mora and Luque, technical training institutes at the basic level have been inaugurated. The schools have been built and equipped at a cost of 700 million guaranies, using IDB and local financing.

The General Worship Directorate, in accordance with the Constitution, has guaranteed the operation of all religious organizations legally established in the country. It has also encouraged their participation in the process of national development.

Honorable Congressmen. The agricultural and forestry sectors have also been favored by government economic policies. Within the context of the social market economy, measures that include the liberation of the foreign exchange rate, the liberation of prices, free competition, and fiscal and credit incentives have led to better prices for products, increased productivity, better use of resources, higher production levels, and greater participation by the productive agents in national development. These factors have allowed a stable economic and social growth for the rural population.

The support to soybean production has permitted the export of 1,900,000 tons of soybean, worth approximately \$383 million, during 1989. Soybean occupied the first place among our hard currency earners.

The cotton industry is creating more jobs and producing more money for the rural population of the country. During 1989, cotton production reached 630,000 tons. This yielded 119,400 tons of cotton fiber worth \$320 million, that is 31.7 percent of our export earnings.

The wheat producers, with the support of the government, have yielded a total of 452,000 tons. This has made our internal supply easy and has left an important surplus of 200,000 tons for export. Our country is now a wheat exporting country. [applause]

The national government continues to implement the plan for improving cattle production through better feeding and preventative health measures. Important achievements have been made in this field. The national

livestock sector was able to export 79,962 tons of fresh and frozen meat in 1989, worth \$94 million. The government has created the Undersecretariat of Livestock with the purpose of strengthening the services of the state in support of the cattle raising sector to help producers make better decisions.

With the cooperation of the Republic of China, the government is building a fertilizer plant which will provide the agricultural sector at low prices and thus increase production. This plant, which is located in Bella Vista, Itapua Department, is expected to start operating this year.

The government, in its effort to modernize the structure of state organizations, created in 1989 the Undersecretariat of Natural Resources and the Environment which will improve the renewable natural resources and defend and preserve the environment. At the same time the government is continuing its policy of stimulation and support to the production of sugarcane, rice, tobacco, and other products.

The government, in order to satisfy the just claims of peasants, has created the National Coordination Council for Rural Development, Concode. This organization has the specific task of coordinating the efforts of the public sector and satisfying the interests of the different levels of the society around a policy of authentic rural development. The task of the government through the Concode, and the IBR [Agrarian Reform Institute] was basically an effort to stimulate and support the organizations of peasants whose claims have been shelved for many years and to open dialogue and promote understanding among public and private organizations. This how the government was able to obtain an orderly settlement for 6,000 families of peasants without land who were organized in 60 neighborhood committees and in 600 peasants committees. The settlements covered about 70,000 hectare of land.

Regarding these settlements, the government multiplied its resources to provide a basic food program, a road structure, drinking water, house construction, first aid, and to provide tools and basic elements for reasonable living. This effort has helped peasants to recover their confidence in the new program for rural development, which is based on improving the capabilities of peasants and the better use of institutional resources. The government action in rural development was immediately noticeable in all levels of national society, and had the support of all the branches of government. The government also received the support of international organizations, and of the private sector. Peasants were also allowed to enter Government House to convey their concerns, their claims, and their cooperation spirit.

Honorable National Congress: The implementation of the road programs, and the consolidation of the transportation and communications infrastructure became one of the concerns of the government during the 1989 fiscal year.

The government has increased our roads network, seeking to fully integrate all areas of the country and to encourage its social, cultural, and economic development.

A total of 347 km of roads was built during 1989. This includes paved and dirt roads. All national roads were maintained and improved with the construction of bridges and culverts. The most important new paved roads and road works include:

The opening and paving of the Concepcion-Pozo Colorado highway, the opening and paving of the Tacuara-Santa Rosa highway, the paving of Highway 5 Yby Yau-Pedro Juan Caballero with an additional stretch of a 20-km section to Concepcion, the opening and paving of the highway linking Villa Rica to Numi, the opening and paving of the access to Filadelfia—the work is finished and is being inspected for contractual purposes—and the opening and paving of a section of the trans-Chaco highway between Mariscal Estigarribia and Filadelfia.

The Ciudad del Este airport was redesigned and adapted to real needs and estimated demand. Important works of remodeling and enlarging were carried out in the Clinicas Hospital to equip this important center with the needed facilities to ensure an efficient service for the population. The government spent approximately 750 million guaranies in the remodeling of this hospital. I want to mention the work done for the hospital by the Residenta Foundation during the remodeling and later equipping of the new areas.

One of our worst-maintained institutions was the Neuro-Psychiatric Hospital. Important work was carried out in this institution to change the situation and to improve its service as a special consideration to all human beings regardless of their social condition.

The government considered it necessary to organize and direct our policy regarding the use and handling of mineral and energy resources and thus created the Mines and Energy Undersecretariat, subordinated to the Ministry of Public Works and Communications. All institutions responsible for these resources will be coordinated by this undersecretariat.

The most outstanding activity in this sector was the concession granted to Texaco Exploration Paraguay Incorporated for prospecting and exploiting oil in the oriental region. On 17 March, Texaco began drilling the first well in this region.

During 1989 the government built new electrical extension lines to provide electricity to new users in the capital and the interior. The supply of electricity was extended to 19 new towns. The total number of towns served with electricity stood at 309 at the end of 1989.

Two new 60-cycle turbines began operating at the Itaipu Hydroelectric Project. At the end of 1989 Itaipu was operating 15 turbines, nine of them 50 cycles, and six of them 60 cycles.

The Yacyreta Binational Entity continued construction of the project according to schedule. One of the main jobs during the year was the diversion of the Parana River main river channel. At present the river flows through the spillway.

In the area of telecommunications, urban and interurban networks underwent significant expansion, direct international circuits were opened, and a direct dialing system was dedicated in May 1989.

Honorable Congress:

In the Defense Ministry area, the following specific activities were scheduled and implemented:

- the continued expansion of the ministry building, which will house the Civil Aeronautical Directorate, the Military Industries Directorate, and the Directorate of Assistance to Chaco War Veterans;
- repairs to the victory barracks buildings in San Lorenzo, improvements in the living standards of veterans and in their food, health, and general assistance;
- the reactivation of the National Chaco Development Commission, which is promoting several development projects for the western region;
- the restoration work on the former Military College building, which will house the National History Museum and the Military History Institute;
- the installation of modern machines at the Military Industries plant which will produce ammunition, cartridges, and other items for professional use;
- improvements in the financial and administrative situation of Paraguayan Airlines. The possibilities for creating partnerships with foreign air companies are being explored with the objective of improving the efficiency of this important service;
- the installation of a computerized system at the Civil Aeronautical Directorate with the help of OACI [International Civil Aviation Organization] and the deployment of an extended-range radar at Mariscal Estigarribia Airport;
- the implementation of several measures and initiatives at the INDI [National Indian Affairs Institute], seeking to preserve and render assistance to the various ethnic groups. Such measures include the creation of the INDI Consultative Council, the reactivation of Indian participation in the Caazapa Integrated Rural Development Project, the purchase of land for Indian settlements, the reorganization of the association of Indian ethnic groups, and the dedication of the Indian hospital.

Finally, in connection with the Armed Forces, the three branches—Army, Navy, and Air Force—joining their efforts, their ideals, satisfactorily complied with the general instructions issued by the commander in chief in 1989.

The Armed Forces have performed their specific duties with total efficiency, both in the strictly military area and in the area of support for civilians, through the improvement of highways, transportation of food and medicines to remote towns, air transportation of sick and injured people, use of the military communications network for transmitting messages by civilians, and assistance rendered in the recent cases of floods and natural disasters.

Honorable Congress:

The policy of the health sector, which has been implemented over the past 13 months, includes a plan for immediate action that has picked up areas and methods in an effort to be as pragmatic as possible in the identification of problems and their resolution.

Efforts have concentrated on the areas in which positive results could be achieved in the shortest term for the benefit of the entire population and with emphasis on the sectors whose health is more vulnerable from a biological or a social viewpoint.

Health programs and plans have thus resulted in the creation of a new work plan seeking to allow each health unit and its respective community to select their own health and welfare needs.

Improvement of the regional health system, which operates at increasingly complex levels, continued through the creation of two new health regions and through the intensification of control work.

This sector's installed capacity has been expanded and improved, and funds have been earmarked for the provision of essential medicines at low prices for poorer patients.

The National Health Council has been created as an intersectorial organization, following the guidelines of the new government policy and the plans for sectorial action.

Several international agencies have provided financial and technical cooperation to the Health Ministry during 1989, among them, the Japanese Government International Cooperation Agency, the German Technical Cooperation Society, the Bank of Credit for Reconstruction of the German Government, the United Nations Children's Fund, the United Nations Population Fund, the Kellogg Foundation, and the Inter-American Development Bank.

We should emphasize the role played by the local branch of the Panamerican Health Organization, whose support allowed us to obtain permanent consultation and financial assistance in all areas of the health sector, in which there were several achievements.

Honorable Congress:

The ideal of justice, which is set forth in the preamble of the Constitution, is one of mankind's most precious values, the supreme purpose of the law, and the dearest ideal of all legal and social systems.

Therefore, through the Ministry of Justice and Labor, the government has sought to reorganize the judicial sector with an impartial approach and with due respect for principles, bearing in mind the high interest of the nation.

The members of the Supreme Court were designated on the basis of a pluralistic approach, considering the qualifications and the moral standing of its members. The same criteria were taken into account for the designation of other members of the Judicial Branch.

Relations with the Judicial Branch have been marked by respect and independence. In an effort to improve the skills of judges and, particularly to guarantee the independence of the Judicial Branch, the Ministry of Justice and Labor is promoting the creation of the Judicial School, a project for which we have foreign cooperation.

Faithful to the above-mentioned principles, legal districts were created in Caaguazu and San Pedro departments, where people will have easy access to courts, judges' offices, and attorneys' offices.

The quality of the functions fulfilled by the justices of the peace, who render valuable social services both in the capital and in rural areas, has been improved through training programs and through the construction of appropriate facilities in 12 rural towns. More facilities will be built this year.

Minors comprise a sector which is highly important from a social viewpoint because approximately 45 percent of our population is under 20 years of age. Comprehensive assistance programs for minors of sidelined sectors, with behavioral problems, have been implemented through the General Directorate for the Protection of Minors, which runs several centers where minors and adolescents are housed.

Work is a genuine source of wealth and is also the best instrument for meeting the needs of people and their

families. Therefore, the government has a major function to fulfill; to preserve and create new jobs, doing its best to guarantee labor activities and respect for workers' integrity and dignity.

Union freedom and the organization of unions are major issues for the government policy. Some 116 new unions were recognized in just one year.

Two new workers federations were also recognized: the National Workers Federation and the United Labor Federation. These two worker federations and the Paraguayan Confederation of Workers now have the same cause.

A special effort was made to reach a social pact encompassing the state, the managers, and the workers. The tripartite commission created for this purpose has solved numerous conflicts and created the appropriate conditions for a fluid dialogue and for the coexistence of these important sectors of society.

Honorable Congress:

I do not want to conclude without expressing hope that I will continue to have your very valuable cooperation to advance unhindered along the broad path of democracy. Allow me to express my deep faith in it. [applause]

Democracy does not only mean a formal separation and supervision of powers, it is not just a rhetorical enunciation of principles that can be used for cheap demagoguery, and it does not just mean full respect for human rights. Quite often, the responsibility for peaceful coexistence is forgotten.

Democracy is not a romantic dream but a passionate reality that must be confronted with deep convictions, enthusiasm, and generosity. [applause]

Democracy is all of those things I have just mentioned. It is also a way of life and a form of coexistence that should be rooted in firm convictions. Each citizen must fully assume his responsibility and participate in the process because without their participation our efforts will be in vain. [applause]

I ask God to help us understand this tremendous challenge at this crossroads in our history. Let us fulfill our duty with courage.

I declare the present legislative year inaugurated and wish you success in your deliberations. Thank you. [applause]